

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 14 April, 1987.

Time — 1:30 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 . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Madam Speaker, I wish to table the Supplementary Information booklet for the 1987-88 Estimates Review of the Department of Highways and Transportation.

MADAM SPEAKER: Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I direct the attention of honourable members to the gallery where we have 20 students from Grade 5 of the Centennial School. The students are under the direction of Miss Rosemary Martel, and the school is located in the constituency of the Honourable Minister of Finance.

On behalf of all the members, we welcome you to the Legislature this afternoon.

ORAL QUESTIONS

Sugar beet industry - layoffs at Fort Garry Plant

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is for the Premier.

Today in the media, the Minister of Agriculture is quoted as saying that the Provincial Government is prepared to allow the Manitoba Sugar Refinery in Fort Garry to close before it agrees to Ottawa's terms for aid to beet producers.

In view of the fact, Madam Speaker, that the closure of that plant would result in 93 permanent and about 150 part-time jobs disappearing in Manitoba, 75 jobs in the trucking industry to disappear, and indeed the livelihood of 400 sugar beet producers put at risk, is the Premier prepared to abandon all of these people - those workers in Fort Garry, those workers in the trucking industry, those producers spread throughout Manitoba - is he prepared to abandon all of these jobs in order to prove a point with Ottawa?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order.

The Honourable Leader of the Opposition asked a question, I presume he's interested in hearing the answer.

The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, we're all certainly concerned insofar as the sugar beet industry is concerned, and the Province of Manitoba, that's why certainly the Minister of Agriculture has been attempting repeatedly to ensure that Ottawa live up to its obligation; the obligation that the Conservatives in Ottawa provided, to this House in fact, to Manitobans as a whole, in 1985, to ensure that there would be a national sweetener policy. It was on that basis that the Province of Manitoba entered into a program, once only.

Unfortunately, the Conservatives in Ottawa have not done so and, Madam Speaker, at some point there has to be enough is enough - enough is enough insofar as offloading of federal responsibility onto the Provincial Government.

For 25 years, as the Minister of Agriculture has pointed out, even under the dastardly Liberal Government that was supposed to be so alienated from the western agriculture; at least that government never turned their backs on the sugar beet producers of the Province of Manitoba in the same way the Mulroney Conservative Government is doing in Ottawa now.

MADAM SPEAKER: Order please.

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, comments like enough is enough I think will be very disturbing to Manitobans who are looking for some leadership and some support to preserve jobs in Manitoba.

Sugar beet industry - tripartite agreement

MADAM SPEAKER: Does the honourable member have a question?

MR. G. FILMON: Madam Speaker, in view of the fact that the tripartite agreement between Ottawa, the producing provinces, and the producers is to be signed with Alberta on Thursday of this week; in view of the fact that the House of Commons will recess after Thursday until the 27th of Alberta; and in view of the fact that sugar beet producers - sorry, 27th of April - in view of the fact that sugar beet producers, Madam Speaker, will have to begin to plant their crops before that date of the 27th of April; will the Premier reconsider the position of his province to support the workers in Fort Garry, to support the truckers in Manitoba, to support the producers - those 400 producers throughout this province - and set aside his differences, his vendetta against Ottawa, and act in the best

interests of the people of Manitoba and preserve the jobs for Manitoba?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, this issue that we are dealing with is an issue of fairness, an issue of how a national government, who are elected for all Canadians, not just for those in other parts of the country, and how a national government is not treating the producers of this country fairly.

Madam Speaker, we have and continue to stand up for Manitoba farmers, notwithstanding the agreement that we had with Ottawa, a different agreement that they had with Alberta, that we shall not put any further funding into the sugar beet industry beyond the 1985 crop, the now Minister responsible for the Canadian Wheat Board has acknowledged that he has broken that agreement in Parliament. Madam Speaker, notwithstanding that breaking of the agreement, this province amended its position and said that we're prepared to put an additional \$3 million to support the sugar beet industry for the next 10 years. Now members opposite are accusing this side of the House of breaking an agreement? Madam Speaker, we have called on them, and I call on them again, to tell their colleagues in Ottawa that they have not treated Manitobans fairly, and that's their responsibility.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

The Honourable Leader of the Opposition with a supplementary question.

MR. G. FILMON: Yes, Madam Speaker, the issue is stubbornness, the issue is stubbornness on the part of this Premier . . .

MADAM SPEAKER: With a supplementary question.

MR. G. FILMON: . . . and this government.

MADAM SPEAKER: Order please!

Does the honourable member have a question?

MR. G. FILMON: Certainly, Madam Speaker.

MADAM SPEAKER: Will the honourable member place it?

MR. G. FILMON: In view of the fact that the producers have agreed to the tripartite stabilization agreement; in view of the fact that Ottawa has agreed to it; in view of the fact that the Province of Alberta has agreed to it, because it, as a province, wants to preserve the jobs in the sugar refining industry and for the producers and the truckers; will this Premier not abandon his ideology, abandon it . . .

MADAM SPEAKER: Order please, order please.

MR. G. FILMON: . . . abandon his hatred for Ottawa and support the producers and the workers of Manitoba?

MADAM SPEAKER: Order please.

May I remind the honourable member that question period is not a time to debate, that a question should not repeat in substance a question already answered, or to which an answer has been refused, and a question should be brief. A long preamble to a long question takes an unfair share of time and provokes the same kind of reply, and a supplementary question should need no preamble on many counts.

Could the honourable member please place his question?

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, given that we are talking about just over 300,000 this year to preserve 400 jobs for Manitobans, will this Premier not screw up his courage and act on behalf of those who are going to lose their jobs other . . .

MADAM SPEAKER: Order please.

That question is out of order.

MR. G. FILMON: Madam Speaker, why is that question out of order?

MADAM SPEAKER: The question is out of order because it repeats, in subject, a question that was already answered or to which an answer has been refused.

MR. G. FILMON: It hasn't been answered, Madam Speaker.

MR. D. ORCHARD: There is no answer.

MADAM SPEAKER: Order please.

Is the Honourable Leader of the Opposition arguing?

MR. G. FILMON: No, Madam Speaker, I'm attempting to ask a question.

MADAM SPEAKER: The honourable member can put his question, if his question is in order.

Sugar beet industry - preservation of jobs

MR. G. FILMON: Yes, will the Premier act to preserve the jobs in the sugar industry in Manitoba and act today?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Madam Speaker.

I am pleased that now the Federal Government has someone negotiating on their behalf, since they're failing to respond to our commitments. Madam Speaker, if that is the suggestion of the Federal Government, we have already put that proposition forward; why have they not accepted it? We have put forward \$315,000.00.

Madam Speaker, I want to answer the Leader of the Opposition and tell him why Alberta is prepared to sign tripartite. They just rebuked the federal Conservatives and said that "we're willing to change parties, change

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our name in Alberta," and they got \$350 million into the Province of Alberta for the oil industry. That's why they're prepared to sign the tripartite agreement, Madam Speaker.

Child Abuse Review Committee Report - Chief Medical Examiner's recommendations

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker. My question is to the Minister of Community Services with respect to the report which she tabled in the House yesterday, pointing out the major overhauls that are required with respect to the child abuse system in Manitoba.

Madam Speaker, my question is with respect to a specific recommendation contained on page 293 of the report, wherein the reviewers recommend "that in the event of the death of a child in care," that the Chief Medical Examiner be authorized to review the activities of child and welfare agencies and to report on whether the activities of the agencies were appropriate by the current standards.

Madam Speaker, my question to the Minister is: Will she implement this recommendation, despite the apparent refusal of the Attorney-General to implement such a recommendation upon the request of the Chief Medical Examiner some four years ago?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, we are supportive of that recommendation.

In the commentary yesterday made by the two individuals making the review, but specifically Dr. Eric Sigurdson, he said that this was a practice right across the country that, in a sense, Chief Medical Examiners in their particular expertise, is not being used to the full. I think it's a positive recommendation and we are certainly supportive of it.

MR. G. MERCIER: Madam Speaker, I've asked the Minister - in view of the fact that children suffer substantial physical or mental disabilities or injuries, which can affect them for the rest of their lifetime, would she go further than the recommendation contained in the report, and authorize such a similar medical examination, where there's significant medical or physical disability incurred by a child, as a result of child abuse, in order to ensure that the efforts of the agencies in those cases have been appropriate?

HON. M. SMITH: Madam Speaker, as I understand the question, it is the opinion of the member opposite that the Chief Medical Examiner is the main font of expertise in the handling of child abuse and neglect of a general nature. It's not my understanding that that was the gist of the recommendation in the report. Again, I think the answers are going to come in a multidisciplinary way between the people in health, justice, education and community services. That's why

we have agreed to the senior level committee, the four deputies from those departments, working with senior staff, to explore how we can best integrate the system across all departments and disciplines.

MR. G. MERCIER: Madam Speaker, perhaps the Minister misunderstood my question.

I asked her if she would go beyond the scope of this recommendation and require an independent medical examination and analysis of the agencies responsibilities and activities, in the particular case where there is significant mental and physical disability or injury suffered by a child? Madam Speaker, I hope she will answer that question.

Child Abuse - Child Protection Centre

MR. G. MERCIER: I would also ask her, Madam Speaker, particularly noting the comments of Drs. Ferguson and McRae in a letter to the review team dated January 28, 1987, which is contained in the Appendix in the report, wherein they point out and congratulate the review committee on their efforts, "seeking to advance conditions for the healthy survival of children and families in what has been for years, and is currently, a remarkably chaotic system." I ask her if she will support the recommendations for additional resources to be supplied to the Child Protection Centre, and whether Manitobans can expect, over the next year, a full commitment to all of the recommendations of the review committee, to ensure that the protection of children is a high priority with this government?

HON. M. SMITH: Madam Speaker, I think it was this government that initiated the support for the Child Protection Centre. I think a careful reading of the report will see that there is a recommendation that medical personnel, throughout the city certainly, because that was the focus of the report, but I would certainly extend it to mean throughout Manitoba, develop expertise for the initial investigation and emergency response, and that the Child Protection Centre resources be used in training, and as a backup resource. I think those are two good recommendations, Madam Speaker.

With regard to who supervises whom, in terms of procedures, I think again that the answer is to get the multidisciplinary teams and the four department committee to work out standards that identify which specialist is responsible for what piece of the action, where we go for appeals by the individual, and how we get regular evaluation of the total system. I think it's that multidisciplinary approach that's going to give us the best results, Madam Speaker.

Child Abuse Review Committee Report - progress reports re implementation of recommendations

MR. G. MERCIER: Madam Speaker, in view of the fact that this report was requested by the government as a result of an emergency debate in this Legislature last June, at which time I believe it is fair to say that members on both sides of the House expressed serious

concerns over the existing system; in view of the fact that the Minister in her press release announces the formation of a Child Abuse Review Implementation Committee, composed of Deputy Ministers, to ensure recommendations in the report move ahead, in order to ensure for members of this House the recommendations are not lost somewhere some months ahead, Madam Speaker, would the Minister undertake to distribute to all members of this House, on a quarterly basis, progress reports from the Child Abuse Review Committee, so that all members of the House can be assured that progress is being made. If progress is not being made, we therefore, will have a full opportunity to question why progress is not being made on the recommendation of her report.

HON. M. SMITH: Madam Speaker, I'd like to remind the Opposition that it was this government that started the raising of the profile and the attack on child abuse and has built up, gradually to be true, because there really were not experts in the field. We have had not only to train the people in the field, we have had to train the trainers to train the people in the field because it is not an area of expertise that has been systematically developed over time by doctors, teachers, social workers and so on. So I think, again compared to what progress other provinces are making in this area, Manitoba is out ahead. The fact that we have not a fully developed system, I think, is understandable, Madam Speaker, because the dimension of the problem is so much greater than we had anticipated.

With regard to reporting, we do have our annual reporting procedure here and I'd like to take under advisement whether quarterly reports are the way to go. In terms of making available periodic information to people, I'm certainly willing to do that but I think the question, as to the specific mechanics, I would like to take under advisement.

Manitoba Developmental Centre - tabling of Ombudsman's Report

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Thank you, Madam Speaker, it's coming out every day more and more that this Minister is unable to look after the people of Manitoba, that most of her departments are in chaos. Madam Speaker, even the Association of Community Living asked why there was a large number of deaths at the MDC.

MADAM SPEAKER: Order please.
Does the honourable member have a question?

MR. E. CONNERY: Yes.

MADAM SPEAKER: To whom does he wish to direct it?

MR. E. CONNERY: To the Minister of Community Services.

MADAM SPEAKER: Thank you.

MR. E. CONNERY: In light of all these problems and the fact that they're concerned about the high number

of deaths at the MDC, the Manitoba Developmental Centre, will this Minister release the report of the Ombudsman to this House?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Well, Madam Speaker, I do find coming from the Opposition a group that have objected to our raising taxes, building social programs and trying to provide a more humane system of both economic and social programs in Manitoba. Very surprising that they now, all of a sudden, expect us, or me and my department, to be able to look after fully all the people of Manitoba.

However, taking that as a rhetorical comment, there are two questions, I think, here; one has to do with the reporting of deaths and the rate of deaths at the MDC. Again, the other question has to do with the Ombudsman's Report. Madam Speaker, if members opposite insist on asking four- and five-part questions, I believe I must be given the time to answer them one at a time.

With regard to the Ombudsman's Report, I have a comment from the Ombudsman that his understanding of the procedure we're following with the Ombudsman's Report is as I have stated. He sent me a confidential copy of the initial report and asked for our departmental comment. We have returned that to him. He said that a Minister has the authority, if they wish to release, but it would not be wise, it's much better to wait for the Department commentary to get integrated in the final report. So that has to do with the Ombudsman's Report, Madam Speaker.

Last week I gave the pattern of deaths at MDC and the increasing age; the average age; the life expectancy of people there. There was an increase in deaths in one year, but already a quarter into this year the rate is very much down, even over the average, so we don't know whether or not last year presented an unusual blip or not, but I do have available the procedures.

Well, again, Madam Speaker, I was asked . . .

MADAM SPEAKER: Order please.
The Honourable Member for Portage la Prairie with a supplementary.

MR. E. CONNERY: Well, Madam Speaker, to the First Minister.

The indication is that this Government is doing such a good job for the mentally retarded, for the abused children, and so forth; when we were in office 3.53 percent of the budget was spent on community services; now we're seeing .59 percent of the budget spent on community services. Will the First Minister now order the Minister of Community Services to release the Ombudsman's Report so we can now protect the people at the MDC.

HON. M. SMITH: Well, Madam Speaker, I should point out a very elementary fact to the member opposite that in 1983 the social assistance portion of the Community Services' budget was moved over to my colleague, the Minister of Employment Services and Economic Security so that his estimate of percentages is way off base.

Madam Speaker, I'll be happy during the Estimates process to give some of the historical pattern of funding and also to answer those detailed questions.

Child and Family Services - increased funding to solve problems

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker, my question is to the Minister of Community Services.

Madam Speaker, for years this Minister has told the House that her department is providing a first-class child and family service focus for our citizens of this province and yet, Madam Speaker, the report that was tabled yesterday offers undeniable evidence that this department has not been filling its mandate and that there are no fewer than 76 recommendations to indicate that the department is in serious trouble and our children are in jeopardy.

I would like to ask the following question: Does the Minister agree with the report that another \$6 million will solve the problem, even when an additional \$58 million . . .

MADAM SPEAKER: Order please.

Could the honourable member rephrase it so as not to seek an opinion? Whether the Minister agrees or not is immaterial.

MRS. S. CARSTAIRS: Madam Speaker, will it be government policy that another \$6 million spent on this department will solve the problem when \$58 million in additional funds over the last four years hasn't?

HON. M. SMITH: Madam Speaker, the claim I would make for the child and family service is that it is shifting into a community-base preventive service. I have never claimed that it is all the way there, Madam Speaker, and I have been the person who is most aware of the fact that shifting a service that is crisis-oriented into a preventive-supportive one takes time and takes resources.

With regard to overall funding, I would draw attention to the House the fact that with the devolution of Indian Child Welfare to the reserves, there has been \$4 million to \$6 million extra into the system from federal funding. There has also been a great increase on day care services and mentally retarded children's services that do act as family supports and help strengthen the general thrust of the Child and Family Service.

With regard to the \$6 million recommendation, \$2 million of it has to do with delivery of children's mental health services and can more properly be put to my colleague the Minister of Health.

With regard to the other \$4 million, our child maintenance budget was given by supplementary warrant an increase of more than that last year and that is in the base for this year. As a matter of fact, that line in the budget does show a \$6 million increase.

There is not a recommendation at the moment to increase full complement recommended, the staff in the agencies, but it is under review.

Dept. of Community Services - deficiencies within

MRS. S. CARSTAIRS: A supplementary to the same Minister.

Would the Minister explain to the House why, as the report has confirmed, there is a lack in her department of uniform standards; a lack of professional expertise and training; a lack of coordination of uniformity and statistical and record keeping; and a lack of resources, and a lack of preventive programs?

HON. M. SMITH: Madam Speaker, when people read the report they seem to miss the historical context of the report. What has been affirmed by the report is the wisdom of moving to a decentralized community-base service.

What is also acknowledged is that we are one of the provinces that is taking the most initiative to get reporting and to deal with child abuse, and that has produced a tremendous increase in the volume of cases that the system is dealing with.

With regard to standards, some of the agencies have not felt that it was appropriate for the Government of the Day to be as intimately involved in their day-to-day work and we had been moving more by legislation, guidelines and protocols and directives. The fact that the report calls for us to become much more specific in the standards is welcomed by us, because we think it's the mechanism by which we can develop some uniformity and quality assurance and a better way of evaluating the agencies. As a matter of fact, the detailed standards are prepared, Madam Speaker, and should be introduced . . .

MADAM SPEAKER: Order please, order please.

I explained to honourable members that I would like their cooperation both in having short answers and short questions. I find it very difficult myself when questions have multiphases to them to try to make sure that Ministers contain their answers to a reasonable length. So if a question has four parts to it, it makes it very difficult for all of us and takes up an unfair amount of time in question period.

Minister of Community Services - request for resignation

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker, with a very short question.

Madam Speaker, surely a Minister who receives such an unqualified condemnation of her services should in fact resign; will the Minister resign?

Asbestos - Norquay-Leg. Bldg. tunnel closed due to

MADAM SPEAKER: The Honourable Minister of the Environment.

HON. G. LECUYER: On Friday, I indicated to the Member for Turtle Mountain that I would bring back information in regard to a question he asked, or a number of questions he asked in regard to asbestos and the tunnel connecting the Legislature with the Law Courts Building, the Power House and the Norquay Building.

Madam Speaker, I wish to indicate that indeed the engineers did find that a heating pipe, which is wrapped in asbestos and cloth had been torn and from there the department took samples. These samples indicated that there were fibres and, on that basis, the tunnel was closed until the repairs could be done, which did occur; it was repaired using proper measures.

But I do want to indicate, contrary to some of the comments, Madam Speaker, that the member made to the media over the weekend, that it is the employer's responsibility . . .

MADAM SPEAKER: Order please, order please.

May I remind the Honourable Minister that answers should be brief.

HON. G. LECUYER: Yes, Madam Speaker, and I did indicate that there were two questions asked, and I want to indicate the true facts in this measure, in regard to this particular question. The fact is, Madam Speaker, that this happened over a month ago and the tunnel was reopened two days later. I do wish that after a month-and-a-half of the Session, at least a proper question would be asked in regard to occupational health.

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of Health.

MADAM SPEAKER: Order please. Order please. The Honourable Member for Brandon West has the floor. Order!

Brandon General Hospital - closure of beds

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of Health.

Last year, Madam Speaker, the Minister approved taking out of service, at Brandon General Hospital, 31 beds. This year the proposal is that 49 beds be cut for the summer months. Has the Minister of Employment Services and Economic Security, the Member for Brandon East, approached the Minister of Health and made representations to him about the proposed cuts for this year?

MADAM SPEAKER: Order please. The honourable member, would he like to rephrase his question please so it's within the Minister's jurisdiction. He should not be asking one Minister about the behaviour of another Minister.

The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, I just wonder if anyone has stood up for Western Manitoba and spoken to the Minister of Health and made representations about the proposed closure of 49 beds at the Brandon General Hospital this summer, including the Honourable Member for Brandon East.

MADAM SPEAKER: The Minister of Health.

HON. L. DESJARDINS: Madam Speaker, had you ruled the first question in order I would have answered that, absolutely. The Member for Brandon is always approaching me whenever there is anything at Brandon. I told him what I told the House, that any deinstitutionalization will be done in an orderly fashion; that there is a committee dealing with staff that will work with the government before anything is accepted or rejected from the hospital; and that we are getting cooperation from the hospital to change the system in order to keep on providing the best system in the free world.

MR. J. McCRAE: Madam Speaker, a new question.

In view of the fact that people in Western Manitoba will have to head to Winnipeg for hospital care where it will be proposed that there will also be cuts, will the Minister be approving these cutbacks at Brandon in view of the fact that people won't have anywhere to go for hospital care.

HON. L. DESJARDINS: Madam Speaker, if the people from Brandon come to Winnipeg, then they'll have even more beds compared to the people of Winnipeg because they have more beds at their disposal now than the people of Winnipeg.

As far as the approval given, when and if it is given, of course, the members of the House and the public will be informed.

Hospitals - closure of beds to control deficit

MR. J. McCRAE: Madam Speaker, is the cutting of hospital bed capacity the response of this government to increasing health care costs in view of the fact that deficits are allowed at MPIC, deficits are allowed at Workers Compensation, deficits are allowed at the Telephone System, deficits are allowed all over the place with this government, except in the area of health care? Is this the response of this government, to cut one-fifth of the bed capacity at Brandon General Hospital?

HON. L. DESJARDINS: Madam Speaker, my honourable friend and his colleagues have been asking all these Ministers to resign, and I'm so afraid that he's going to ask me to resign that we have to be careful with the deficit in my department.

Insurance coverage - MLA's and provincial employees

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

Last week, I had taken a question as notice from the Member for Riel regarding liability insurance coverage and I would, first of all, like to apologize to the member. At the time of responding to his question I'd indicated that the information was contained in a memo that I had circulated to him, but regrettably that had not reached him at that time. So I apologize for any suggestion that he had access to that information prior to asking the question.

In regard to the question, I think the information that he has been provided with would indicate to him that that particular provision for the \$10,000 deductible is only related to MLA's and not to the general work force of the government.

Hospitals - closure of beds to control deficit

MR. D. ORCHARD: I was used to a much longer answer. I'm so flattered to be on so early, Madam Speaker.

Madam Speaker, my question is to the Minister of Health.

The Minister of Health is about to make a decision as to whether 49 beds in Brandon will be cut this summer. Madam Speaker, my question to the Minister is: In view of the deficits facing all of the hospitals in Winnipeg, has the Minister been informed, or has the Minister been asked to approve substantial bed cuts in any of the Winnipeg city hospitals?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, all the urban hospitals have been meeting with the staff of the Commission, and they have been told that we could not keep on with this high deficit in hospitals. It's been suggested that could be curtailed in an orderly fashion, in a period of two years or so, and they were asked to prepare a brief and a study and recommendation to deal with their own deficit, and they will be coming back to the Commission, and I would imagine that they'll have all kinds of suggestions.

MR. D. ORCHARD: Madam Speaker, I'll pursue that issue with the Minister over the next couple of weeks.

Pay Equity - Dept. of Health

MR. D. ORCHARD: But my question now, Madam Speaker, is to the Minister of Labour.

Madam Speaker, the Minister of Labour is in charge of the implementation of pay equity. That program was to have been implemented in the Department of Health for this fiscal year Estimates currently before us. Can the Minister of Labour indicate, in the Department of Health, the financial impact and the extra budgetary requirements for the implementation of pay equity as proposed by the NDP?

HON. E. KOSTYRA: The question that the member raised is more in my area of responsibility as Minister responsible for the Civil Service Commission, in terms of the implementation of pay equity as it relates to the Civil Service. The time frame with respect to implementation is that we're in the phase now of the actual negotiations with the employee groups, in terms of how it will be implemented for the Civil Service of the Province of Manitoba. So at this point there are no details available on the financial implications as it relates to the Department of Health, or to other departments, until such time as those negotiations are concluded.

Pay Equity - increase to deficit

MR. D. ORCHARD: A final supplementary then to the Minister of Health.

Given that last year in the Estimates of the Department of Health, the Minister of Health indicated that this year's Estimates would reflect the implementation of pay equity, is the Minister of Finance now indicating that this may happen mid-year, and any funding requirement would then be made by Special Warrant and would further add to the deficit of the province?

HON. E. KOSTYRA: I can't confirm the preamble to the question because I'm not aware of that of which he speaks. I can tell him that just the same as the government may, or may not, be faced with additional costs as it relates to general salary increases, once the conclusion of the current collective agreement comes later this year, that in the same fashion, in the same way has been done in previous years, that there may be additional funds needed if there are settlements reached which require payments over and above that which is presently provided for in the Estimates. If that is the case, then that would be provided for at the appropriate time, and also would be dealt with in terms of the overall financial situation of the province, recognizing that there are areas that are underexpended during the year.

Department of Health - salary estimates

MR. D. ORCHARD: Madam Speaker, I apologize for asking one more supplementary question to the Minister of Finance.

The Minister of Finance is indicating that only one-half of this year's salary may well be reflected in the Estimates of the Department of Health. Last week, when we discussed salary increases, the Minister of Health explained to the committee that between the general salary increase effective this year, and the increments, the average salary increase in the Department of Health is 8 percent. Is the Minister saying that with implementation of pay equity and the new contract, that it may well be beyond that?

HON. E. KOSTYRA: I'm having quite a bit of confusion trying to understand what the member is saying. You suggested that only half the salary costs of the salaries for the Department of Health are contained in the Estimates; that is simply not true. All of the salary costs, as they are known at the present time, are contained in the Estimates for that department, as they are for other departments. So I don't know on what he's basing his comments. If he's talking about some potential increases that may take effect for half a year, the answer is we do not have that information because there is no settlement reached on whether or not there'll be any salary increase at that time. Until that's done, I cannot provide a specific response to his question.

Manfor Ltd.- illegal strike

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Madam Speaker, I have a question to either the Minister responsible for Manfor, or Labour, and ask if the Minister has investigated the report on the illegal stike at Manfor and, if so, does the Minister support it?

MADAM SPEAKER: The last part of that question is out of order. It seeks an opinion.

The Honourable Member for Arthur.

MR. J. DOWNEY: Yes, Madam Speaker.

A question to the Minister responsible for Manfor. Has he investigated the reported illegal strike at Manfor?

MADAM SPEAKER: The Honourable Minister responsible for Manfor.

HON. J. STORIE: Madam Speaker, yes, I have been in touch with the staff at Manfor about the current situation, and clearly the member's preamble is quite clear. It is an illegal strike, and I understand that meetings are going on right now to resolve the problem and I expect a resolution forthwith.

Manfor Ltd.- gov't action re illegal strike

MR. J. DOWNEY: In view of the fact that the Minister said there is an illegal strike, will he or the Minister of Labour be carrying out their responsibilities as Minister of the Crown in enforcing the laws of the province?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, as my colleague has indicated, this is an illegal strike. The Province of Manitoba, through the Crown agency, is the employer and we have indicated our concern. The Department of Labour, although not directly involved, is always available should there be a need for conciliation or mediation services

I would like, Madam Speaker, while I have the opportunity, to answer a question from the Leader of the Opposition the other day, in respect to the status of workers at Canada Packers, and to advise him that 27 of the bargaining unit employees have left the company for other jobs, transfer or retraining; eight salaried staff have left the company and found other jobs. Through the establishment of the Workers Adjustment Committee, there have been 90 personal visits to prospective employees and a telephone blitz conducted, resulting in 20 referrals to four posted jobs.

Arrangements have been made for mass unemployment insurance registration at the plant on April 9 and 10 and there were eight CEIC counsellors in attendance. Arrangements have been made for exit interviews April 9 and 10, where seven provincial councillors will be in attendance. The total layoff will involve 350 to 360 employees. There are 264 bargaining unit employees registered with the Workers Adjustment Centre; 24 office and salaried staff registered with the Workers Adjustment Centre; 8 employees have found jobs through the Workers Adjustment Centre.

Highway 250 - funding for road program

MR. J. DOWNEY: I have a new question for the Minister of Highways and Transportation.

In view of the fact that the Minister of Highways and Transportation has a meeting scheduled for this afternoon at 2:30 p.m. with a delegation from Highway 250, can the Minister confirm whether or not if he has any money at all for them for their road program for this year or has it all been spent on the bridge next to the Premier's constituency in Selkirk, a bridge that doesn't have a road to it, Madam Speaker?

MADAM SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Madam Speaker, that question is barely worth answering and it is a grandstanding question by the Member for Arthur because he sees some of the members of the "250 Association" sitting up here.

The fact is we want to welcome them to the Legislature, Madam Speaker. The fact is that we are meeting this afternoon and the program is being finalized and the question that the Member for Arthur has put forward here today has little or no bearing on the results.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I move, seconded by the Minister of Agriculture, 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.

MATTER OF GRIEVANCE

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Madam Speaker, I rise today to talk and grieve for some 4,000 Manitobans, some 4,000 Manitobans, Madam Speaker, who are to some degree mentally retarded.

Madam Speaker, it's no ones fault when somebody is born retarded; it's one of those tragic fates of life. It doesn't pick any group of people or any economic group of people, it just happens and it's a very tragic time for families when they do have a retarded child.

Madam Speaker, most residents of institutions are wards of the state and, as wards of the state, they are the responsibility of the state and the responsibility of the government. They don't have the rights that other people have and, because there are no votes, most people ignore them, and this government has done the very same thing.

This government must now act on behalf of the retarded in Manitoba. Madam Speaker, I want to

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address it on two issues, one on the basis of the Manitoba Developmental Centre and, at the same time, recognizing there is one at Pelican Lake and St. Amant, and also the Welcome Home Program where there are many of the retarded people at risk.

Madam Speaker, there's a short history. The Manitoba Developmental Centre has been around here for close to 100 years. I'm speaking also for the staff that are in the Manitoba Developmental Centre. There is some 600 or more staff there, working under conditions that are deplorable and not conducive to good working relations. It's a staff that, Madam Speaker, I think people should take their hat off to because working for the mentally retarded and with the mentally retarded is a very trying experience. I think the last while we've seen, with some of the allegations that have been around, allegations that I think are not the fault of the staff, I think the staff is an excellent staff and I thoroughly stand behind them.

Madam Speaker, we saw this Minister of Community Services close the Psychiatric School of Nursing at Portage la Prairie. Madam Speaker, this was a unique teaching program. It taught hands-on experience for the mentally retarded and, what do we get? She closes it. Why did they close it, Madam Speaker? I think it was for political reasons. This Minister knows that there are no major votes for her or her party in Portage la Prairie and she closed it in favour of Selkirk and Brandon, ridings that are now held by the NDP. It was a crass, terrible political decision and this is supposed to be from a Minister who is thought to be kind and caring. Madam Speaker, we see that this Minister is not a kind and caring person.

We had in 1977 a real tragedy where there were eight residents of the Manitoba Developmental Centre died in a very tragic fire. Madam Speaker, they died because the then NDP Government hadn't responded to a report that said the fire system should be upgraded. Eight people of that facility perished in fire, Mr. Chairman. That is a terrible thing to have happen to anybody, but I can say that in 1977, when we then formed government, the Member for Lakeside was in charge and he spent \$417,000 upgrading the fire equipment at the Manitoba Developmental Centre.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

Mr. Deputy Speaker, if you look back through the records, you find it has been our government who has done the most for the mentally retarded. We had a larger budget and when you look through the figures in the book released, you see that there is a lower percentage spent on the Manitoba Developmental Centre now than there was some five or six years ago.

But the fire problems didn't die in 1977. We have also reports, and I have a memo that says: "Since there is no fire alarm panel in the Nurses' Residence, it is requested that the power house engineer phone the operator immediately on the sounding of the fire alarm." At the present time, the operators have no way of knowing when and where a fire alarm occurs. That is an indication that there was a serious problem there, and this was in June of 1986, under the direction of this supposedly kind and caring Minister.

Mr. Deputy Speaker, I have another memo and it says: "It is my understanding that the contract for the

fire safety upgrading of Northgrove Building has been postponed." During a fire drill in this building November 18, difficulty was experienced with the locks on the doors leading from ward to ward by myself and personnel from Government Services. The doors themselves are badly in need of repair and should be replaced to standards of the Fire and Building Codes and be equipped with magnetic locks and panic hardware connected to the fire alarm system.

Mr. Deputy Speaker, it's obvious that this Minister was not concerned and did not take action on these memos. This memo, Mr. Deputy Speaker, was November, 1985. This Minister has left those people at risk for all that period of time.

We have another memo, and it seems evident to the writer that the projected use of Northgrove will in fact be exceeded: "Even if the projections given are accurate, we need upgrading of locks and egress routes," and that was for the Fire Chief in Portage la Prairie. This Minister left a lot of residents of Northgrove at risk for an extended period of time.

We have another one here: "Due to the fact that Northgrove Building is not to be renovated to minimum fire and building standards, I would bring the following concern to your attention," and he goes on to describe how 56 doors have locks from both sides and, in the case of a fire, they would not have easy exit from the building. This, once again, from a Minister who tries to proclaim that she is kind and caring for the people of Manitoba.

What was the result? I was given these memos by someone in the mail. I don't know who sent them to me, but the results of me getting these memos is that the procedure now at the Manitoba Developmental Centre is not to issue memos. The Minister is so worried that the facts of what is going on at that facility will get out, that she has now told her people, do not write memos, just verbal contact, and that's what we have. We're not able to then go back and show, by memos, what has been wrong, Mr. Deputy Speaker, but I'm sure some members of the staff will probably be documenting what is going on.

Mr. Deputy Speaker, I want to read one excerpt from Hansard, and it's on page 1180 from last year's Hansard. The Minister is replying to my question about the fire alarm system that is at the MDC in one of the basements. She says, and I quote: "Madam Speaker, it's been alleged that there's some plastic pipe that has been purchased, but the total upgrading is more complex than that." That was the reply of the Minister, but here is what we found. It now shows that there are 373 electrical smoke detectors, 13 heat detectors, 17 smoke indicator lights, part of an electrical smoke test, 46 bells, 14 hand sheets for voice communication, 44 speakers, 13 panels, 2 master panels and 2 fire alarm controls.

Mr. Deputy Speaker, you can see why I could not lower my principles and withdraw the remark that I was named for in this House. This Minister has not delivered all of the facts to the House and I think that's a tragedy and she should be severely reprimanded for that.

Mr. Deputy Speaker, there is another piece on page 1540 and it's from the Fire Chief, Mr. Thorimbert, the Commissioner, and it says, "Now in one of the articles Mr. Thorimbert said his decision to allow the centre to shirk the work which is the fire safety order and save

about \$2 million might have been altered if Mr. Thorimbert had known about the memo." So this Minister even kept the Fire Commissioner in the dark on the conditions at the Manitoba Developmental Centre.

Mr. Deputy Speaker, this is not the actions of a person who is caring and who has the responsibility to look out for the mentally retarded who cannot look out for themselves.

Mr. Deputy Speaker, I've had lots of communication from different people and I have a letter here. It's from some of the staff at the Manitoba Developmental Centre. I'll just read a few of the excerpts out of that letter so you'll know what they feel about it. It says, "For those of us who are left behind, I realize that the closing of the School of Nursing is on schedule. I can only hope that, at some future date, the government sees the error and in fact re-establishes the program."

Another part, "Morale at the MDC is very, very low. The psychiatric nurses and nursing assistants are genuinely concerned for the residents in our care. The main floor of Southgrove is being renovated into wards which would seem to me to be putting more people into an already overcrowded building." The letter goes on to say, "Working in the building when the temperature remains 37 degrees Celsius for two days and two nights, it seems to me that we don't really need a lot more body heat on the main floor to keep the temperature from dropping."

Mr. Deputy Speaker, it might be somewhat surprising, but they had a better air system in the dairy barns than they do have for the residents at the Manitoba Developmental Centre. They had better fans for moving air for the dairy herd.

At the bottom end, Mr. Deputy Speaker, it says, "Whoever is instructing all these changes, is obviously trying to make the Manitoba Developmental Centre a hell hole and to look like one. It's absolutely inhuman." This is from staff, Mr. Deputy Speaker, that work at the Manitoba Developmental Centre day in and day out and know that there are severe problems there.

Mr. Deputy Speaker, the breakup of the Children's Aid Society into regional child and family services. The regional services was supposed to do a better job of providing service to the clients at the community level. What has happened is instead a lack of expertise and programs to deal with the problems at the community level and likely a horrendous increase in cost. The same lack of planning for support services for the Welcome Home Program people for staff and for the clients is evident.

Mr. Deputy Speaker, this Minister has a history that is absolutely shocking.

Mr. Deputy Speaker, I would like to address the overcrowding that is present at the Manitoba Developmental Centre, and I know that the report that the Minister has from the Ombudsman states that there is overcrowding. But I want to read a memo, a memo that I can't get anymore, Mr. Deputy Speaker, because the Minister has ordered no more memos. "In accordance with the Manitoba Building Code, an institution such as ours is classed as Group B, Division 2." It goes on to explain what the question is. "It's 50 square feet per person where there's two or more beds." He says, "As several moves have already taken place and more to come in the future, it is my opinion

that this criteria is not being maintained. It is also requested that the ratio of one staff for every 15 members be maintained as outlined in the fire code." This is coming from an employee of the Manitoba Developmental Centre saying that there is overcrowding and the Minister has continuously told us in Estimates that there isn't overcrowding.

Mr. Deputy Speaker, this Minister said, and it's in Hansard, that we are away over 60 square feet per bed. Mr. Deputy Speaker, those are not the facts that are there. This Minister was with me when we made a tour and I counted some of the tile. There were some areas where they were barely 50 square feet, barely 50 square feet if they were and 50 square feet is the minimum allowed by the fire regulation, and this Minister says we're away in excess of 60 square feet. Can you now understand why I wouldn't withdraw the remarks that I made, Mr. Deputy Speaker?

Mr. Deputy Speaker, I think it was an error on the part of this government to close down Northgrove, and the staff recognized that error, because now we have a tremendous overcrowding problem in that institution.

Mr. Deputy Speaker, I have a press clipping and it says, "A management official at the centre who spoke on conditions his name wasn't used," so obviously they are very concerned about this Minister knowing what they're saying or if they're saying the facts, "said overcrowding is harming to patients and creating a morale problem among the staff. In one case, 22 very aggressive male residents were moved from a 5,000 square foot living space in Northgrove to about 2,400 square feet in Southgrove."

This Minister keeps on telling us that conditions are improving. "These patients kick, punch, push, tear clothes, throw dishes, make sexual advances, throw temper tantrums and, as well, extra body heat and the smaller living areas has raised the temperature to about 37 degrees causing bedlam," the management source said. "The overcrowding interferes drastically with cryer types. There is just no quiet time."

This is what she is expecting the residents of the MDC to live in. This is a Minister who tries to portray herself as a kind, caring woman. I would allow you, Mr. Deputy Speaker, to make your own decisions on these facts as to how kind and caring she is.

Mr. Deputy Speaker, we have memos showing the bed setups, the bed rated capacity in various residents. I have one that goes back to May of 1986; I have one of February 1987. It shows where they have increased the bed-rated capacity, increased it significantly in one from 117 to 167. Mr. Deputy Speaker, that's a lot of people in the same area. But what did they do? Are there 167 people in there, at the capacity rating? No, Mr. Deputy Speaker, there are 195 people in that area, 28 above the capacity rating for that ward.

We can look at Westgrove, another one. It was rated at 168, now increased to 208. Mr. Deputy Speaker, there are 228 people in that ward, 20 people over the capacity. This is from a kind and caring Minister. Mr. Deputy Speaker, I think the people will make their choice, decide if she really is that kind and caring.

Mr. Deputy Speaker, I want to also address the issue of understaffing. Back in 1977, the then director of the Manitoba Developmental Centre, Dr. Lowther, says the school is understaffed and needs 200 more staff. That's back in 1977. The Ombudsman's report will state that the department is understaffed.

Mr. Deputy Speaker, we've seen, I think, somewhere in the area of 30 or 40 people laid off and another 30 or 40 about to be laid off in a very short time. This Minister is saying she's looking after the people of Manitoba, looking after the mentally retarded who are the wards of the state and under her personal supervision and responsibility.

Mr. Deputy Speaker, if this Minister had a conscience, she would now release that report and let the people of Manitoba decide for themselves what the problems are at the Manitoba Developmental Centre.

We have seen, Mr. Deputy Speaker, many reports on the overdrugging that is supposedly going on with the mentally retarded. I do have some concern whether there is in fact overdrugging, but I think the report would point out if there was. But I think it also shows that maybe because of the overcrowding, because there is no air conditioning in a large sector of the the complex, that maybe drugs are the better alternative for these people, because in very cramped and very crowded quarters and in temperatures of that, I can see that some of the more violent people would be a problem if they didn't use drugs. So we would like to know what that report says.

Maybe we need to increase the space in the Manitoba Developmental Centre. Maybe we need to remodel Northgrove and put some 120 back into that facility, but I think this Minister will stubbornly go ahead and leave it closed and probably bulldoze it down so it'll be out of her system. Mr. Deputy Speaker, we need this issue put to rest now, not at some time in the future.

Mr. Deputy Speaker, I mentioned the temperatures in there and the 37 degrees that it gets to. Now who would want to work in that? We had worked under some pretty trying conditions here last year. We weren't very happy about it and we were sure looking to get this air conditioner going here. But I think that it is now time that the Minister have a plan for the MDC. I asked her, on our tour, if there was any long-range plan for the Manitoba Developmental Centre, and she said no.

But, Mr. Deputy Speaker, we've been doing a fair bit of research and I find some very interesting material. The Minister got a report, and it was May of 1982, and it was, "We Have Promises to Keep." Actually it went to the Premier.

I just want to read a sentence in here, Mr. Deputy Speaker, which shows you the goal, the long-range plan that the government has for the Manitoba Developmental Centre, and indeed, all institutions in Manitoba: "In initiating the process of deinstitutionalization and beginning the phasing out of institutions . . ." - that is the goal of this Minister and of this government to close up institutions.

There's also some recommendations that I think should be put on the record, Mr. Deputy Speaker: "That governments cease all admissions to the Manitoba School, Pelican Lake Training Centre and St. Amant, and create an adequate community response to the needs of those referred for admission to be accomplished by April 1985." Now she hasn't accomplished that yet, but that's part of the plan. "That governments stop the transfer of children from the St. Amant Centre to the Manitoba School; that the Manitoba School and Pelican Lake Training Centre be

phased out by the year 2000." Now we have it pinpointed that it's the year 2000.

Mr. Deputy Speaker, we think that this is shameful that this Minister does not know what she's doing. This Minister is listening to one group of people who are against institutions, but there are also other people who are saying there is room for institutions.

Mr. Deputy Speaker, it was nice seeing you.

(Madam Speaker in the Chair.)

Madam Speaker, I think this Minister needs to listen to all the people involved in mental retardation and I think she would have a better understanding because there are two sides to it. We need the institution; we also need the Welcome Home Program. Neither one is functioning effectively and neither are either one of them at the best interests of the residents of these facilities.

Dr. Glen Lowther, chief medical consultant for the Department of Community Services and government programs for the mentally handicapped, has been taken over by people who believe institutionalization is destructive. "The ideology being thrust down our throats," he said, "is entirely reasonable that you be very concerned about this."

Then it goes on to talk about people whose son is in the centre. She wants him to stay there. They say "out." Two other parents said they were not asked, but merely informed that their children would be released into the community. Madam Speaker, that's unbelievable that this Minister would stand up in this House and say people were not being badgered and bullied into having their children go into the community. She has that on record, Madam Speaker, but the facts indicate that the reversal is true, that she knows this is going on. She knows very well.

We have also another article, and it says, "The relatives interviewed named Norena Robson, an employee of the Association for Community Living, as one who has made threats by reminding parents of the overriding power of the Public Trustee." Madam Speaker, what does that tell you? Does that tell you there is a dialogue where people can make the decision on their own to certainly determine what is in the best interests of their child or their relative that's in the home? No, this Minister is making that decision for them, and this Minister is not cognizant of all of the facts of the mental retardation program and what is required and what is wanted by the people of Manitoba.

Part of this other letter, Madam Speaker, that I read earlier, it says, "Norena Robson said that the level of care will not be maintained at the MDC." Madam Speaker, Norena Robson doesn't even work for the government; she works for the ACL. What is her role in dictating government policy? Is this Minister not running her own department? If she isn't, then I think she needs to take a look - well, we know what needs to be done - she needs to resign and look for somebody who might do something better. Surely, anybody can do a better job than what is being done now.

Madam Speaker, there is one good thing that is happening though at the Manitoba Developmental Centre, which is the \$2.7 million Activities Building. But it makes it a little bit confusing for me; I have a hard time rationalizing what is happening. They are looking

at closing the institution by the year 2000, but we're now building an Activities Building for this period of time. so it is rather confusing. I don't know if the Minister has any sense of direction that she is going. If she did, she would be telling us, and then maybe by telling us, she might have to make a decision as to know where she's going.

Madam Speaker, I've got a letter from the ACL, the Association for Community Living, and I think these are a group of people that are very caring and very concerned. The only issue that I would take with the members of the Association for Community Living is the fact that they want to close institutions. I think they have the right to work, to put their relatives and children into the community - I don't discourage that; in fact, I would encourage it if it's in their best interest - but also shouldn't try to close institutions so that other people who feel it is better for their children to be in the institution to make that decision.

But it says here, "Day programs in sufficient quantity and quality are lacking and cannot be produced with the financial support currently provided by the department." They're saying in the community there's not enough programs, and we've been saying this, too, to the Minister, and she keeps on saying no, this isn't true, that's not the facts; but, Madam Speaker, they are the facts.

It says, "We need change in how we achieve individual planning for people and real implementation of needed services for the individuals based on plans." They also say, "Lack of stable, long-term training capability to train staff and boards for the needed services." So what they're saying is that in the Welcome Home Program, we don't have the capable trained staff that we're supposed to have, that this Minister says we have, when in fact we don't have it.

Madam Speaker, we have another report. It's a status letter from the Association for Community Living, and they've gone through and what they've done is they've analyzed the Welcome Home Program and they have listed some good parts where the Minister has done a fairly adequate job, but then they list a whole host of areas where this Minister has failed the mentally retarded in the community.

They talk about several local community-sponsoring groups having received inaccurate information about the true needs of a person at the MDC, resulting in inappropriate resource being planned and, in some cases, a return to the institution; a lack of commitment to 24-hour planning; community problems in obtaining up-to-date information on housing proceedings with MHRC; negative media exposure; again lack of trained staff.

They discuss the start-up costs and the lack of sufficient funding in the start-up costs of these homes. They go through the day program again, and it says, "the weakest link in planning." Day programs are the weakest link. Problems include lack of funding to promote integrated day options; lack of capital funds to solve problems, once again, of fire and safety, Madam Speaker, at St. Malo, Boissevain, Virden - are the ones that they've got in here; lack of program direction as to the desirable outcomes; lack of funds and leadership in the employment support area; lack of options for multiply-handicapped persons; lack of places to go for day programs for people coming out of the institution.

It says at least five residential operators are providing a day program as well, and a delay in the implementation of Level 4 and 5 funding to OAC's.

They need administrative support. More attention is required to plan for people at risk in the community. They're addressing those people that this Minister refuses to, and they say, "We cannot forget about planning for people who are not at risk and may be at home with legitimate needs."

Madam Speaker, I have also had calls on people in this way and they say it's not fair. If we try to keep them home, they won't help us at all. So if we send them to an institution, they'll pay the whole cost, but then they insist that they be under the Public Trustee and people cannot have control over their children.

We'll say it again and we'll say it many times, because maybe if we say it often enough it'll get through the thick skulls over there, and start them to pay attention to the needs of the retarded in Manitoba.

Madam Speaker, there is a regional implementation team sub-committee, and they go through a whole host of problems that we have in the Welcome Home Program. It says, "The regional implementation team of Central Manitoba has compiled the following questions. We are hoping that the answers will assist us to adequately provide for the needs of the children in our area." Madam Speaker, they are saying that the needs are not being addressed at this point. They are looking for answers. They are looking for support from this Minister, and this Minister is not giving them support, Madam Speaker.

Madam Speaker, there was another report from the proposed regional planning on the regional planning process. It says, "The planning and the implementation of the decant of 220 persons from the Manitoba school is a complex project that requires careful coordination of information, decision-making and resources between provincial, regional and field levels. It is also necessary to rebuild confidence between the government and volunteer sector if this initiative is to succeed. To accomplish this, both new and whatever structures are required." Madam Speaker, they are very concerned that the needs of the people in the Welcome Home Program are met and at this point they are not.

Madam Speaker, we also have another group of people who are very concerned about the mentally retarded; it's the auxiliary for the Manitoba Developmental Centre. They have done a lot of work for the mentally retarded in raising money for different things for them, for summer camps and also just buying things in the institution itself that this government has failed to do. They don't agree with the route that this Minister is taking. Madam Speaker, they're not opposed to the Welcome Home Program, but they are opposed to the support that is given to the Manitoba Developmental Centre and other centres that house the mentally retarded.

They say, "The welfare of citizens with mental handicaps can only be approached on an individual basis, what it is that is best for each individual for the handicap. It cannot be settled by the single application of one ideology, however shrillingly expressed." They go on, Madam Speaker, and they say, "There is a need for all parts of the spectrum of opinions to be listened to with sympathy and due consideration before decisions are made." They are saying there are other

ways. "At present, the auxiliary feels that the views of the party are dictated by a very small lobby indeed and its policies are largely being implemented by civil servants who have no professional involvement in the field whatsoever." These are concerned parents, Madam Speaker, of mentally retarded children, very concerned people who are working to improve the lot of the mentally retarded.

Madam Speaker, I have another letter that is very interesting and it says, "Seven objectives for 1992 have been identified by the ACL Task Force as feasible steps towards the vision we share - vision. Their attainment would not complete our vision for the year 2000, but they have been identified as feasible, practical, attainable steps towards that vision." I plead with them, Madam Speaker, that they would not go the route of trying to close the institution in the light that there are a tremendous number of people out there who don't want their children in the community, do not feel it's in their best interest.

Friends of mine, who have mentally retarded children, have spoken to me, I have had phone calls, I've had letters, Madam Speaker, people wondering where this Minister is going and why is she on such a narrow fine line of one implementation only to close institutions.

It says, "The use of tax dollars to meet people's needs will be decided between the person who needs help and the Provincial Government." Where are the parents in these decision-making processes? This Minister is saying that the government and, if it's a mentally retarded, a severe and profoundly retarded person, they maybe can't even speak, Madam Speaker, so the government is going to make the decision; this big, big government who is so concerned about people will make decisions.

It says, "By 1987, admissions to institutions will stop and evacuation will proceed at 10 percent per year based on 1986 populations." Well, it shows you, Madam Speaker, that this is not happening. The Minister has told us that we would see 220 people move into the community.

Madam Speaker, in the middle of March, from last May to the middle of March, there are 90 less people at the Manitoba Developmental Centre; 16 of those were by deaths. So, obviously, the Minister's program is not working.

It's amazing the little bits of stuff, Madam Speaker, that we do come across. One of her own people, Mr. Mendelson, and this is the executive management committee report to middle management, "Mr. Mendelson had also some bad news in that long-range forecast for the province clearly indicates that without some major changes in direction and/or continued restraint programs the problem will face serious financial difficulties."

So her own department recognizes that this government is going in the wrong way and obviously he's not sure that they're going to make any changes, so he's warning the staff at the Manitoba Developmental Centre that there is going to be a little less money in the future for them.

Also, for another report on the ARC industries and this sort of thing, they are complaining that funding levels for sheltered workshops in Manitoba are exceptionally low, well below the national average. It goes on and it says, ". . . which showed Manitoba

well below the seven other Canadian provinces and two American states." It showed us behind seven others, well below the seven other Canadian provinces, Madam Speaker.

So when we're putting these people into the community, we are not following up with the program that is required. I think that it's a shame and a disgrace that this Minister will carry on.

Madam Speaker, one of the letters that was delivered came to me this week after the unfortunate incident of last week, and it says - these are the last two sentences - "Obviously something needs to be done. I hope that you can shake up the birdbrains on Broadway."

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I rise to use my grievance in response.

Madam Speaker, the one thing I feel good about in listening to the honourable member opposite's presentation is the concern for the 4,000 mentally retarded citizens of Manitoba is of high priority, and it is to high priority on both sides.

I think, Madam Speaker, though, that when we are discussing the well-being of the mentally retarded citizens and when we look at the varieties of opinion and the varieties of lobby groups out there, and when we look at the varieties of ways of delivering the program, that we engage in some basic honesty. We engage in some basic honesty in terms of where the system has come from.

Madam Speaker, we've heard a great deal about MDC and it's good that it received public scrutiny, but I draw the attention of all members to the fact that that very structure did have 1,100 persons. It will shortly be under 600. The goal of 220 reduction will be achieved by July of this year.

Madam Speaker, when the Welcome Home Project was developed, it was developed at a time when there was a great range of heated opinion, difference of opinion as to how the retarded could best be cared for. It's true that families with mentally retarded children did not have access to supports. Their choice was to struggle along as best as they could, find a voluntary group that might support them or institutionalize their children. In many cases, this meant giving up legal responsibility to the Public Trustee.

Since that time, Madam Speaker, we have started to build a coherent support program right from birth through to old age for children, for adults living in the community, either with their family or near their family.

Of course, we haven't got all of the support programs at the ideal stage, but we have the basic structure and the basic type of program developing year by year. There is infant stimulation for the young child, when the family first finds that they have a child with mental retardation difficulty. We have peer support groups so that the parents can talk to one another, draw support and help chart the future of their child and their family. We have vastly improved the training and the special supports in integrated day care and have also supported, Madam Speaker, specialized day care for

children, not only with mental retardation, but with physical disabilities. So that if a family does choose to keep their youngster at home, they do get some relief during the day and the child gets the benefit of a supportive environment, as integrated as they can manage, Madam Speaker, not shut off in a family room or completely dependent on parents' care, no matter how devoted. Parents do fatigue and don't always have the basic skills, so that we are moving in with community supports to assist parents.

The development of the overall program goes on through the education system. Of course, all the wrinkles haven't been worked out; of course, school divisions are struggling to find how best they can build in the supports. The residential programs are increasingly becoming available, not only to young adults, but where really necessary, to children. We have in the Dauphin area, instead of taking three children away from their families and sending them off to Winnipeg where the only institution that cares for young children is available, enabled those three families to have a community home in their neighbourhood, Madam Speaker, where the staff can come and go and where the family provides support to those children, but where the children, in a sense, remain the co-owners of the house. And that way, the families are able to keep the children involved in family and community life to the extent the child can cope. Madam Speaker, that is what we have said all along.

In Altona, we have another type of development where aging mentally retarded individuals - again, I'm giving you the example of the type of community option that is developing. In this case, Level 5 people, who are normally not considered able to live in the community, that community spirit and desire to keep their own residents close at home, even though their parents were aging and could no longer care for them. Their desire to keep them in the community was so strong that they constructed a beautiful facility, it was actually beyond our means as funders, Madam Speaker, that they undertook as a community to provide that extra amount, and there Level 5 senior citizens are living out their lives in dignity and close to family and friends.

There's a great variety of options developing. They were developing before in the community, but usually only when particular parents or particular advocacy groups could put together a project and then go to government and try to arrange some kind of funding, and funding was all over the map. The children of parents who had the leisure time and the know how were getting the services, but they were very unevenly funded and there were great gaps throughout the province.

Now what we are implementing is a gradual planning process for each individual with their families. Again, the member opposite, when he talks about moving people into the community, or developing 24-hour plans, keeps repeating, and he did this last year, he said that we were moving people without the cooperation of their parents, or coercing the parents; and I asked him, Madam Speaker, for evidence of that because I had explicitly said, and the policy directive had gone out, that there was not to be coercion and if there was any evidence of it we would look into it.

And what did I get, Madam Speaker? Two names arrived here with not even a signature or an indication

of what the names represented, but we did guess and doublechecked and went to see those individuals and I think came up with a reasonable explanation, Madam Speaker.

As a matter of fact, there are one or two individuals that I know of at MDC who could, according to all the people who work with them, profit from community living, and we have not moved them into the community. I repeat, we have not moved them into the community, Madam Speaker, because we believe, at this stage of building the community option, it's extremely important to build community support and to give parents time to sort out, to see how it's working for other people before they want to make a decision for their own family member.

We would have the legal authority, Madam Speaker, to override those parents because the Public Trustee does have legal authority, but we have chosen not to, for the very reason that we want this program to have the support and the cooperation of parents.

Now let's get to the question of the institution. Madam Speaker, I don't know where the member opposite picks up memos and notes and whatever. There is a great quantity of discussion goes on in any government department prior to a policy decision being made. There are people who want no institutions; there are people who want only institutions; there are people who want a blend; there are people who want middle-sized institutions; there are people who want large group homes; there are people who want small group homes; there are people who want no group homes.

Madam Speaker, far from running away from all this difference of opinion, we deliberately structured the planning process of Welcome Home to include all those groups, to include the province-wide groups at the provincial planning level and to include all the local groups, not just one group, but any local groups who were so organized, in the regional planning teams.

Madam Speaker, we made available to those groups, to the representatives of those groups, all the information. The policy decisions were debated openly, Madam Speaker, so that people, in a way they never had before, had input, had access to the information, had a chance to debate the various factors before the moves were made.

At the Developmental Centre - a centre I remind you that used to have 1,100 people and delivered primarily custodial care - we will be under 600 by the summer. Madam Speaker, the programming that was available in that institution has only had a relatively recent history. It was basically custodial care, but partly because of the work done by people in the institutions working with the mentally retarded, partly because of the academic people working in university schools of nursing and so on, we've become much more adept in helping to find ways to teach or enable the disabled people to learn. Many more have now become toilet trained; many more have developed some of the social skills. We have now got them all in different clothing. There is some decor around the building. There is some furniture, which before it was thought couldn't survive the onslaughts of the retarded. There have been a lot of changes of that sort.

The program area is relatively new. There's an almost endless quantity of program resources that could be absorbed there. There's speech hearing and

communication; there's physiotherapy, there's occupational therapy; there's special medical supports; there's vocational training; there's educational training.

Madam Speaker, each one of those services, those developmental programs is under development in the institution. The services are also being delivered in the community, but in a different way. For example, instead of bringing a child into Winnipeg for expensive therapy, what we have is a mobile therapy team which is going to places like Thompson, which is travelling out to the rural areas, and they spend an evaluative time with the child; they put them through the various therapies and they enable the staff, or the family if appropriate, that's working with the child day-to-day to learn those skills so they aren't completely dependent on the hour they spend with the professional. The professional is teaching the people who are working in the community to give them those supports.

We are giving developmental services through the community channel that over time will grow and grow. Of course, they're at the early stages now, but the fact is there's a commitment to delivering them within the centre. I have walked through the centre with the member opposite. We have shared with him all our information on square footage and population and staff ratios.

Now, Madam Speaker, unless he cannot hear, or unless he does not know how to remember, I don't know what he does with that data. The current data I had, is that we have moved from the minimum fire and safety space requirements to where we are currently - our goal was to get to 120 square feet - we're currently at an average of 118. There is a range from around 89 to 140 square feet of living person per individual. Not palatial, I agree, but well above the minimum standard and going in the right direction. I think we should be judged in terms of our program and development at the institution, not against some ideal standard, although I have that as a goal. I would like to get the best possible service over time, but I wonder what the members would say about a tax bill that was put out to the public, that would cover ideal conditions and services for everyone.

It's something we have to build over time. But we have demonstrated the commitment, Madam Speaker, to build those services over time. That's the very reason why we put in the sort of tax burden that we did, because we believe in the community ethic, where the people who have more share with those who have not. We believe it's time that the mentally retarded citizens come into their own and have access to a fuller share of life's opportunity and the community supports.

Madam Speaker, with regard to staff ratios. I don't know, again, how it use to be before, but on every indicator we have more staff per resident than has existed at that centre before. Of course the total numbers have gone down because the total numbers of residents have gone down, but the test of whether the quality is improving and the care is on the ratio, on the ratio of staff to resident, there is improvement.

It was also alleged by some that we were moving only the most capable out of the institution. Well, quite frankly, Madam Speaker, we determined at the beginning of the program that we would not do that, that we would take a mixture, and that we would take level . . . As a matter of fact, if anything, our bias is

more to the level three, four, five than to the one, two. Now it's fair to say that a lot of the one's and two's had moved out in previous years, but our cross section of people who've moved out through Welcome Home, if anything, is biased to the more needy, rather than to the less needy.

The member opposite takes some paper that he said was distributed in February '82, I think. I was not the Minister then, Madam Speaker. All I know is that as long as I've been the Minister, talking about institutionalization in community care, that I have said very clearly what we want is more balance in the system. We did deliberately choose not to spend \$2.5 million to \$3 million on a fire and safety upgrade at Northgrove; instead, to gradually improve the program at the institution, but to downsize it, move 220 people to the community, and also pick up 220, as a matter of fact, we've actually picked up 300 of the people most at risk of institutionalization, and so enriching their service that they could be cared for in the community and would not have to return to the institution.

Now that was a policy choice, Madam Speaker. That's the kind of choice that should be debated here, but it should be debated honestly and up front because, if the members opposite are saying that they think we should have put \$2.5 million into a Northgrove fire and safety upgrade, and that would be not one penny, not one penny for program improvement or community option anywhere else, and then that we should have added more and more and more on top, I don't think have at all a realistic grasp of the financial pressures on government.

Madam Speaker, we know resources are scarce. We know, as a result of the recession/depression, as a result of the Federal Government consistently not to give Manitoba what we think is our fair share through EPF and equalization, that our ability to raise money in Manitoba, to meet all these needs is severely constrained.

Now, Madam Speaker, it would be remiss of us not to identify the policy options and not to put our money where we think the best type of service can be given. How do you think I would feel standing up here this year saying, yes, we have made significant improvements in the institutions, and I know people could manage better in the community, but we couldn't get around to it.

Madam Speaker, I'm proud of the choice that we made to move people out into the community. I'm proud of the fact that we have involved many, many dozens and dozens of community people, parents and so on in building up the community boards. I would be surprised if some of the agencies didn't say we could do more and more and more. I would like to see improved funding over the years, too, but I think we should be judged by the improvement over time.

There was no system of day programming and work shops, there was no system. What there was was little islands of activity, usually supported on a shoestring by volunteer groups. There is no capital program in the vocational VRDP, the Vocational Rehabilitation Development Program, that is our cost-sharing vehicle with the Federal Government. We're currently engaged in trying to renegotiate that agreement so we do get capital program. But we haven't sat idly by, Madam Speaker. We've made these particular workshops, and

the very ones that were identified by the member opposite, Virden, Boissevain and St. Malo, we have identified those very workshops for coverage under our Community Places Program. We've allocated a special fund in order to ensure that they have capital support, because we have recognized that is a shortcoming in the total system.

But you don't go from the absence of system to a fully mature system overnight. What's important is that you're making progress along the road. I think if the member opposite would spend some time asking for some of the data and discussing it, rather than jumping to conclusions, that because somebody says there's overcrowding or understaffing that there must be, I would certainly have more respect for the kinds of criticisms he gives, because it's true, the mentally retarded citizens have not had really a very fair deal anywhere in the country.

Other provinces are dealing with this issue, with far more Draconian measures than we are. New Brunswick, which you could hardly call a hotbed of socialist radicalism, New Brunswick just closed their children's institution. They literally closed it within one year and placed everyone in the community. I don't know whether they followed it up with appropriate supports or help to the families, I really don't know that, Madam Speaker.

But here I think the process that we chose, a gradual process, a cooperative planning process, not starting with any fixed pattern, that group homes or workshops had to look and be a certain size, but work based on the need of the individual, the regional need, the involvement of parents in the community. I think it's been a most responsible approach, somewhat risky, because you do involve people with many different opinions. Give them access to a lot of information, and a lot of them are going to want a lot more, they're going to try and hold out for their particular opinion. But that's the democratic process that I respect, Madam Speaker. I think it's by involving themselves in that kind of process, and asking the questions, dreaming the dreams, wanting more, wanting the best, that over time you build the public will and the public know-how to deliver the very kind of good programs that we want.

Madam Speaker, at the Developmental Centre, because we recognize that those citizens do have a need for more than just custodial care, we have committed \$2.7 million to an Activities Building, which will be opening in a couple of months. Now the reason the member opposite finds it confusing is he keeps believing his own rumour. He keeps believing his own rumour that we have committed to closing institutions.

Madam Speaker, what we have committed to, and I repeat, I don't know about February 1982, but since I have been Minister there has never been a statement to close institutions. There has been a commitment to build more balance into the system, and then to assess. My personal belief is that people have a right to have the support in the least restrictive environment but, Madam Speaker, I don't know, at this stage, or with my degree of understanding of the special needs, where the balance is going to be. I want to see a continuum of services. Yes, I have the bias toward the community in the sense, I think, the individual has the right to be in the least restrictive and the most community-integrated situation that they individually can manage. But that doesn't mean that I don't acknowledge that

there is probably going to be, in my lifetime, and certainly the year 2000 is a long way away, I wish we were planning with that kind of a time horizon. But I think our very commitment to improve the quality of care and programming at the institution is evidence that we are not committed to removing institutions.

When we first announced the Welcome Home, and we said it had three parts; it had the downsizing of MDC by 220; the picking up of 220 most at risk in the community - generally because they had aging care givers, it's a new problem. Mentally retarded people used to die younger, now with medical support and greater care they are living longer, but their parents are getting older and can't necessarily manage them throughout their lifetime. So we were committed to picking up 220 most at risk in the community; and the third promise, Madam Speaker, which always seems to be forgotten when we are talking about our government thrust in care for the mentally retarded, was to improve the programming and the facilities in the institutions. Now, it's true, had we given all the increased resources that we've put into care of the mentally retarded, and put them all in the institution, we could have moved faster there. Of course, that's true and that's a legitimate opinion. But we took a policy choice where we wanted to downsize the institutions.

We do want to demolish Northgrove. Northgrove is an aging building; it's a large dormitory-style living residence which was the best that people could aspire to years ago. But we know now that people do thrive better with more personal privacy.

So I disagree, with respect, with the member opposite that we should keep Northgrove open. I think it's appropriate to demolish it and not carry staffing costs and heating costs and so on, but to redirect that money to quality services for the people.

The particular allegations around fire and safety I think were gone into in great detail last year. I know that the advice I had from my department was that there was some of the equipment that would have been required to do the fire and safety upgrade for Northgrove, but the equipment was only a portion of the total cost. What would have had to be done was a restructuring of all the door frames so that they could, in fact, accommodate the equipment, and we did confer with the Fire Commissioner and, in fact, put in a combination of fire alarms, and we put in a process to check all the doors and to have them regularly checked so that there would be no problem after that initial complaint that one or two of the doors were sticking. We had several drills, the regular drills, Madam Speaker, to ensure that all the residents could be evacuated in an appropriate time. The Fire Commissioner agreed with that approach. On the issues of improving the centre with air conditioning I think is an important point; but, given the choice between fire and safety and air conditioning, I think, appropriately, the fire and safety has to come first.

Northgrove is now officially empty of residents. There is a vocational workshop that will carry on there until the activities building opens in a month or two, and then that building will be ready for demolition.

So, Madam Speaker, again, I think more of the points will come up during the detailed Estimates. I am prepared to table the information, and the information

over time. I'm ready to say I'm guilty of not having the ideal system in place in Manitoba, either in the community or in the institutions. But the way I believe I should be judged, and the work of my department, is the progress that we have made while we have been responsible. On that score, Madam Speaker, our record will stand us in good stead.

QUESTION put, MOTION 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 Agriculture, and the Honourable Member for Lac du Bonnet in the Chair for the Department of Health.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - HEALTH

MR. CHAIRMAN, C. Baker: The committee will come to order.

The Honourable Minister.

HON. L. DESJARDINS: Okay, if you've got your forecasted expenditures summary, the main appropriation, I'd like to answer the question that was asked of me last night.

My department did request supplementary funding on two occasions during the 1986-87 fiscal year. Our first request was submitted utilizing the September 3 cash flows and totalled \$8,474.8 million. We did receive preliminary approval for \$6,961.6 million from Treasury Board on the understanding, however, that we would review our situation again as a result of the December 30 cash flow forecast.

You will recall, at your request, we provided a copy of the over expenditures by subappropriation which in actuality was the December 30 cash flow. Based on this cash flow, we returned to Treasury Board with a request for \$8,414.8 million of supplementary funding which was approved. I should mention that during the three months between the September 30 cash flow and the December 30 cash flow, there were changes in the cash flow requirements of some programming. I'm sure that you can understand that some increased while others found that they didn't need quite as much money as initially requested. Therefore the difference between our first request and our second request was actually \$60,000.00.

If you bear with me for just a minute, I'll explain the final supplementary funding requested, as you may have difficulty following it from the December 30 cash flow. As I have just mentioned, our request for the Treasury Board was for \$8,414.8 million which was placed in the following appropriation: Now, if you see 21(2)(g) Home Care Assistance would be \$7,875.7 million; 21(3)(b)(1) Regional Operations, Salaries \$161.2 million; 21(3)(b) Regional Operations, Other Expenditures \$377.9 million, for a total of \$8,414.8 million.

Now looking at the summary page we provided, you'll notice that \$7,875.7 million shown under Community Health Services Program for Appropriation 21.2. This is the main appropriation under which home care is funded.

Just under this is 21.3, Community Health Services Operation, which shows 708.1. This requires a bit of an explanation as to the two numbers I just read out for the region, total only, 539.1. The difference between the 708.1 and the 539.1 is the 169 that appears as unincumbered funds at the bottom of your page.

This is basically an accounting entry, as unincumbering, the 169,000 meant that we actually needed only 539.1 in Supplementary Funding, the amount that was approved in the end. Actually, if you totalled the negatives amount on the summary page, you'll find that they add to one million, five hundred and fifty-two point two, which relates to funds that were not required. In other words, we were told to look at what we hadn't spent.

The net amount of the Supplementary Funding request then was six million, eight hundred and sixty-two point six, the number shown at the bottom of the page. As you can see, the majority of the request relates to the Home Care Program. The additional funding was required due to increased caseload volume and intensity, and this generally translated into a significantly higher payroll that was anticipated. The additional 161.2 required for Regional Operations, Salaries, was to provide for a shortfall in the general salary increase.

Our contract with the MGEA was renegotiated as of late September 1986, and we don't normally budget for this in advance as any increase is not confirmed until negotiations are completed.

The additional 377.9 was required on Regional Operations. Other is related to operating costs required for additional travel for staff to provide service to the increased home care caseload, as well as an increase for supplies, telephone, vehicles, etc.

MR. D. ORCHARD: Mr. Chairman, I thank the Minister for that answer and I'm going to have to, probably by the middle of next week, review it in Hansard. Hansard's extremely tardy in getting to us.

Mr. Chairman, I wonder if I could beg the indulgence of the Minister. We passed, late yesterday afternoon, Hearing Conservation. I'd like to pose one question to the Minister, if he wouldn't mind, on that one.

I forgot to bring this up yesterday, but the needs throughout the province in speech pathology and audiology have been under review for presumably some time now. A report was done for the department, I believe in July, and it was "An Assessment of Provision of Speech Language Pathology and Audiology Services in Manitoba." Patrick Alexander, PhD., was the author of that report.

Mr. Chairman, I wonder if I could ask the Minister if that is a report that could be made available, and the reason I ask for that is the concern I had expressed yesterday in terms of the . . .

HON. L. DESJARDINS: That report is gone to Planning and Priorities, so I couldn't give you an answer at this time. You're suggesting that this would be made public?

MR. D. ORCHARD: I'm just wondering if I can get a copy of that, but that would be public.

HON. L. DESJARDINS: As I say, I'd have to wait to see that the committee deals with it.

MR. D. ORCHARD: Okay. Well, could you, Mr. Minister, check that out, because the indications that I got from the individual who called me was that we have an underservicing problem in terms of both speech pathology and audiology - audiology only being part of the Hearing Conservation that we passed yesterday - but you'll recall my concern that we did not make use of about 20 percent of the operating expenditure funds in that department as well, which I questioned whether we were seeing a deemphasization of audiology through the department.

So if the Minister could take that under advisement and report back at a later date, that would be appreciated.

The Minister . . .

HON. L. DESJARDINS: Excuse me, I can give you this now, that we had the same concerns as were expressed and this is where we granted the approval to hire a consultant to assess the problem and recommend a course of action.

Now this is pretty well the same thing that happened with the Minister of Community Services who was besieged today and these things come back to haunt you. So you know, you're making an assessment or recommendation. You don't necessarily have all the money, but that's the chance we have to take.

I'd have no objection of making it public, but I'd have to wait to see what the decision of Planning and Priority is. But I want you to know that we have the same concerns and we had trouble recruiting some of these people also. We did pick up quite a bit in the '81-82. I think we improved quite a bit, and you're right, that we didn't spend that much money lately on that. That's not saying that it's not important, although it might not have been our priority at this time for added money because of the other concerns we might have had.

MR. D. ORCHARD: Mr. Chairman, just a final comment on that.

I don't know. The individual who called me has indicated that in her estimation, the availability of service is limited and that families and children are unable to avail themselves. Now that's often a complaint of the Department of Health. I mean the demand for service, we have already acknowledged, is unlimited, but if the report indicates that Manitobans are underserved, I think that's (a) an important thing to know, but it's important from the standpoint that then we can debate in committee an approach to resolving that. It may not be that government assume 100 percent of the funding costs because it's not an insured service. Rather than get hung up on the aspect of 100 percent provision of service, which is under available to Manitobans, let's talk about what the needs are, assess them, see how we meet them, and that's my interest in the report, given the discussion I had with what I . . .

HON. L. DESJARDINS: We agree. I'm sure that we'd have to take into consideration the role of the Department of Education for school age . . .

MR. D. ORCHARD: Oh, absolutely. This is not just simply the Department of Health, but your department was the one that commissioned the step, so I'll wait for the Minister to get back to me on that.

Mr. Chairman, we're into Continuing Care. I have to tell the Minister that I posed a series of questions, and I have been to date, and the Minister has been chastising me or cautioning or whatever words - I won't put words in his mouth - but he's been concerned of my approach to these Estimates. Mr. Chairman, I suggest that he should be concerned as well, because in the Continuing Care Division under this Department's Estimates, the budget for Home Care - and I haven't had a chance to go through his figures, but we've got according to the Forecast of Expenditures, a gross over expenditure by line of \$8,164,000.00. That's a 33 percent over budget expenditure.

Mr. Chairman, first off, I should establish with the Minister whether that gross line of expenditure is accurate in this documentation.

HON. L. DESJARDINS: The 8,164?

MR. D. ORCHARD: Yes. Mr. Chairman, rather than having us hedge around and the Minister accuse me of putting him on trial, etc., etc., I simply ask the Minister, when you went to Treasury Board, obviously you were aware of that size of a request for additional money. Did you attempt to satisfy yourself that the Home Care Assistance Program was, (a) targeted and meeting the needs of the people? Were the expenditures properly undertaken, and was the system of control with management in place to handle the system? Because we've got an expenditure here that's 33 percent over budget, and what in fact we have, in terms of numbers for this year, where the Minister is talking about a substantial increase in health care funding, in fact we're considering the amount that was over expended last year, we haven't got - I haven't done the numbers; yes, here I have it - a 40 percent increase in funding to Home Care Assistance. We've only got really \$664,000 of new money in Home Care.

HON. L. DESJARDINS: We've what?

MR. D. ORCHARD: This year's budget, the way it's presented, print over print, suggests almost a \$10 million increase in home care assistance. In fact, it is only \$664,000 because last year's program was so dramatically overspent.

HON. L. DESJARDINS: You're not talking about voted last year. You're talking about actual.

MR. D. ORCHARD: Yes.

HON. L. DESJARDINS: Over voted which is - I want to make sure the way he feels that we're trying to mislead, not with the information we're . . . The only person we're trying to mislead is the Minister with all that information.

The \$10 million is clearly over the voted last year, vote over vote, but not the actual. I agree with that.

MR. D. ORCHARD: Mr. Chairman, I still don't understand why the adjusted figure - but I mean that's semantics - from last year doesn't show something like in here. We've gone through that and I don't want to get into that argument again. There isn't enough time in the day.

But, there will be virtually no increase. By the time you factor through your salaries of some, I presume, 3,000 home care workers, you're probably not going to be offering as much service as you did last year in home care, because you were overexpended last year and you're simply budgeting properly for it this year.

Now, Mr. Chairman, I asked the Minister, did he assure himself that the department was under proper financial and management control when he went to Treasury Board to ask for the additional \$8.1 million?

HON. L. DESJARDINS: I have no problem with that at all. What I did say, by the way, just to answer the first statement that was made, where I took exception, yesterday, it was on the personal attack that I felt on individuals who could not defend themselves and who are not responsible for policies in the department. That's my responsibility and I've got to accept that. The day-to-day operation of the department, of course, there are enough people that have that responsibility, but I can't get away from the overall responsibility. I must accept that. This is what I was trying to say yesterday. We must realize that we're going through a very difficult time. It's not like in the Schreyer years; it's not like the Roblin years. There's no doubt about that.

Yes, we did. We are not getting the share that we were getting from the Federal Government before. Those are all factors. Those are important factors. The situation, as I said, is that we are looking at changes and then there is the situation - I know that and I don't want to prolong that either, to repeat it constantly, but we have to look at the deficit. We're reminded of that every day and we have to look at also the taxing. So all those things are factors.

We looked at our system and we had a report on that. On some of them we were doing very well, on others we were having difficulties. One of them was continuing care. It's very, very hard to get a handle on that. But that's the way . . . I'm not really defending it, I'm saying that for ever and a day that's the way that the health and the hospitals were conducted.

In other words, hospitals were expected, maybe expected is a wrong word. But certainly they were bringing in deficits and that was accepted because a lot of things were not here. In fact, I've said earlier that they were not really all deficits, and they're still not all deficits, because certain things you can't control.

It's the same thing in the department. I might have so much money in the department, then I have a youngster that has to get an operation in Toronto. Am I going to say no, I've got no money in the department. No, and I don't apologize for that and I'll continue, if that's mismanagement, I'll continue to mismanage.

And home care is in that area. We're trying . . . There's no way that I can start going after deinstitutionalizing at all if I haven't got something else in place. All right, we started last year, and more and more we brought in this program that you were talking about; we brought in the . . . that was talked about yesterday. We talked about the early discharge in certain hospitals and so on - all right. Normally, that should save hospitals the cost of hospitals. We did some of that. But we spent more on home care. You might say, well why do you have a deficit in the hospitals? Exactly, because we were taking people out of a hospital,

thinking that we were going to save beds. But right away somebody would go in that bed. That's what is going to be so difficult to sell to the public, but it has to be sold.

Some of those beds will have to be closed or we're going to go right through the roof, and that's the concern. No, I don't apologize. Certainly, we're going to try to improve it. I think we're trying to computerize. There's a lot of the system, part of the system, pristine home care that isn't computerized. Now that might help, and there is a changing time; we've increased - we practically invented home care here in this province. The point is that it served us well but we have to look at it, we have to change. The people are starting to demand for instance, the physically disabled are saying: Well, fine there's something else that is needed and there's going to be a lot of money spent, and we could take an educated guess but we won't get it to the minute. Can you just imagine the criticism that would happen in the House? All of a sudden one of the MLA's would say - you know, we're waiting for home care, and I'd say well there's no more money, you have to wait till next year.

Now, we're told that we're not spending that much money this year, but we did increase over what was approved last year - we took some money from other areas probably. We can always debate that. Yesterday, I was chastised for not spending all the money in certain areas, and that was valid. It was for different reasons. It might not have been there. I know that I attracted your attention to a document that you had, and you're going to hit me with that document when we come to talk about mental illness. Because you see that there's money that wasn't spent that was used for home care. And where do you prioritize?

I know that you're talking about prevention. And they've been talking about prevention for years and years and years, but it was so costly to treat people and look at the sick that, you know it was always next year or whatever there is left and that's starting to change, maybe not enough. But when you're faced with somebody that needs the help now, are you going to talk about prevention? Although prevention is very important, fine, but if you have a choice, I think you're going to go for home care. Put somebody in the hospital, if there's no beds you've got to give them the service at home. So that is what is happening now.

We spent more than was authorized last year and we have to make up for that, and there's such a thing as a Treasury Board. We all know that. I'm not talking out of turn when I say that and they say, fine, we don't get the approval. You find it, we've got to find it. And that was, at the time, one of the first priorities. And that's what we dealt with.

Now, it is true that there's not such an increase as what we actually spent last year but we're also told that we spent money that we weren't authorized to spend. And, fine. But there will be more than that. This is what I'm trying to explain and we'll come during the hospitals tonight; I'll talk about that some more. But we are now, I was asked the question in the House today. Now we are saying to the hospitals, you have a deficit and I pointed that out in my opening remarks while introducing the Estimates of my department. And I showed what the deficit was and I also showed and I think there's a chart for that that accompanied the

information that we gave you and the chart which showed that we did accept some deficit. I don't remember if it was the second column, if you remember it. Then, the rest we said to the hospitals, we met with every single hospital and we said we're not going to go with this, we want an orderly fashion. And we're going to try to reduce this deficit, to cut this deficit. You'll have to pay that back over a period of two years. That's what we're aiming. We're not going to do anything that's going to be dangerous and so on, but we're going to be tough.

And that money, we were able to retain that money in the base; and this is what we will use as we save there to go and to bring this to help us provide the service in the community health vis-a-vis the institutions. So we expect to have probably more money and some of it could go to home care again. So you could have the same position that we have, what was voted and I stretched and I screamed and I kicked like all the other Ministers to get as much as I could.

And this is what we have and we, as I say, there's a possibility that if we save from the hospitals, if we're successful, fine, that we can use that money to provide the service, some other services, maybe set up a clinic where nurses would give help with the primary care, for instance. Or home care, but some of the service in the community.

So I don't admit or accept that we've been a failure, that we're not responsible. I figure that we can do better and we're doing that; in some areas we're doing quite well. The report tells us that we're doing quite well, in others we aren't doing quite as well. And we're checking that and as I say, if we can modernize the system in certain instances and when we're set we know where we're going; when we know a little more about home care.

You know it's okay to put the money and say you don't overspend, in certain areas, you know, it's just a guess, and I would think because we're going to spend more, as I say, if somebody needs an operation or if we have so much money for Medicare unless we get a handle on volume, that's what's going to happen or if we have more youngsters, if we have open-heart surgery here on youngsters, although we're recruiting; we should, when we were sending to Toronto, or some other areas, when we sent people in other areas, we'd spend the money. I don't think anybody would tell us, well you know, you haven't got money, you're only allowed 10 open-heart operations a year and so on.

So it is difficult, but I don't feel that we've failed or that we haven't been honest with the public or with the members of this committee. And I would imagine that years, as was in the past, not enough information was provided in the past. I think that you're doing that; I'm not suggesting that we don't care about the Estimates. I'm not suggesting that, I'm suggesting that we do our best to be accurate. You know, and I remember years if I wanted to put out, I remember years just before an election when the Lyon Government brought in a mini budget and there was all of a sudden, there was all kinds of money for home care and that was an area that was never spent; that couldn't have been spent. So without implying any motives I think that has been done and it's clear, has been done. We have to minimize this as much as possible but there's some area; and then treasury has a job to do and when

you come back for more money they say well get it from within. And that was done by a previous government and I dare say will be done in the future again.

So we have to cut certain things and that is why, of course, that we all have different priorities, we do the best we can, but every member of Cabinet probably has different, not only of Cabinet, of this committee have different priorities so we will be criticized for overspending in an area and we'll be criticized for under-spending in another area. So, but that will be done, we try to minimize and to have as little of that as possible. But having said that, I don't think that all of a sudden we should point the finger at the ADM or people on staff and blame them for all that. I accept the blame for that. And Treasury Board and Cabinet must accept if there is any blame.

MR. D. ORCHARD: Mr. Chairman, first of all, let me tell the Minister that, and I am not arguing with him about the home care program being a necessary program to support individuals in varying degrees to maintain them in their home circumstances. And that's a program that has been on the go for at least, I suppose seven years now.

HON. L. DESJARDINS: Close to 10, I guess.

MR. D. ORCHARD: Or maybe even 10. Regardless of the numbers, it's a program which doesn't have a political for and against associated with it. I don't think that any political party in Manitoba is actively opposed to the provision of home care.

Where I've been consistent in my criticism with the Minister is whether he can assure himself, hence his Cabinet colleagues, hence the taxpayers, that when we spend dollars, it looks pretty good to announce 10 million increase in home care. It's great politics to do that. Makes it look like you're doing a wonderful job of providing care to the people of Manitoba. It's good politics, but in reality you're not spending 10 million more this year, in this year's budget because you over expended by 33 percent last year.

Now, I want to know, from the Minister whether the monies have been spent properly. That's what I'm trying to get at. Whether this program is under control. And unfortunately, whether we like it or not, that gets back to whether your senior management, your ADM have the ability to manage these programs.

From that standpoint I'll just take you through a series of years. 1981-82, the actual expenditure in home care was \$13,610,000.00. That year the Adjusted Vote - not the Adjusted Vote, pardon me, the actual print estimate was \$11,486,000.00. In other words, it was overspent that year by 18.5 percent. That was the year the Minister, I believe, indicated that we provided so much money in the election year that it could never be spent.

HON. L. DESJARDINS: I'm talking about a mini budget that came in just before the election . . .

MR. D. ORCHARD: But basically it's that year.

The next year, '82-83, when this Minister was responsible for the entire year budget, the print estimate showed \$17,452,000 of requested expenditure and the

actual expenditure for that year was \$16,225,000, 7.6 percent under the voted estimate.

In the year '83-'84, and here I have to go the Adjusted Vote because I didn't have the original print estimate, the Adjusted Vote showed \$20,444,000 for home care assistance and an actual expenditure that year of \$18,251,000, for 12 percent under the adjusted estimate in this particular case.

1984-85 we had the printed vote show a \$19,624,000 estimate and an actual expenditure of \$21,205,000, for an 8 percent increase. And here's where we started to get into the professionalization of the staff within home care.

Then we move to 1985-86. The printed estimate showed a \$21,751,000 budget and an actual expenditure of \$24,955,000, this time a 14.7 percent increase over the printed estimate and in November 1985 you brought your new ADM on staff.

Then we go to the year '86-'87 where the printed estimate showed a figure of \$24,671,000 and we are ending up with an actual expenditure this year of \$32,836,000, or 33 percent over budget.

Now, Mr. Chairman, given that we all support home care, surely it's incumbent to know whether the proper spending controls are in place, whether the service is being accounted for properly, whether people are receiving value for service, whether the money is being spent properly. That's the assurance I want from the Minister. That's the assurance I think he should have sought when he went to Treasury Board to ask for an \$8,164,000 or 33 percent overexpenditure.

Imagine, and we have to detach ourselves slightly here because in home care we're caring presumably for people that need care, so one could easily be accused of being heartless if you criticize an overexpenditure. But there's a difference between criticizing an overexpenditure and asking whether this program has the proper financial controls because just feature the chaos in government if the Minister of Education came in with a 33 percent over-salary request in his department, and the Minister of Tourism came in with a 33 percent overexpenditure in her department, and other Ministers. It simply would not work and the question, I'm sure that the Treasury Board Minister would be asking is, is this program properly accounted for? Is your management, Mr. Minister, capable of managing the programs in the department?

And that's an assurance you've got to have and if you can't give that assurance, then, Mr. Minister, that adds weight to what I have been identifying for you, personality neutral to your new staff and if you can't assure me that the ADM is capable of managing an \$80 million department, then, Mr. Minister, you're not being responsible to the taxpayers. If you're not being responsible to the taxpayers and you can't assure that that money is being properly utilized, are you even doing those people that presumably are receiving home care assistance, are they really receiving it? Can you tell us that?

HON. L. DESJARDINS: I would thank the honourable member for these remarks. I feel much better now in understanding what he's after because I can say that we're looking for the same thing. We've had and with the help of treasury, we're assessing the program.

Although we would on one hand increase the program, that is two things that we weren't doing before, hoping and thinking that we can get people out of institutions, but we would have to improve the service, on the other hand we want to make sure that we are careful. But I would ask my friend to be consistent and for the members it is all right to criticize, but sometimes, let me know which way you want me to go.

Today, in the House I was criticized because we're asking the hospitals to be responsible in their deficit, to try to do away with deficits and I was criticized. I am criticized by the Member for Brandon every day, that what am I doing, that I'm the big bad fellow because I'm saying that they have to stay within their budget. You can't have it both ways.

Let's talk about home care. My honourable friend himself criticized me last year and the year before. He brought in and he named the person, a mutual friend of ours, and I think we had spent, what was the amount, it was thousands of dollars that we spent on one person. Over \$66,000 for one person and I was criticized. I was heartless. Exactly what my friend said, I was heartless and I was rationing the service. This is what we're trying to do.

Now we also have the situation for instance, it didn't make too much sense, we had a good program, but then we helped a person get better, a physically handicapped person, then when he got a job, when he could work we couldn't help him at all. Instead of having somebody that could provide the service and so on.

Let me also tell you that during the past fiscal year, more and more people were admitted to the home care program and we have required an increased level of care. This has been reflected in the increased expenditures in home care which will be required in '87-'88. In '86-'87, 3,452 people were admitted to the home care program who otherwise would have been placed in personal care homes. That's practically 3.5 thousand people that we're keeping out of institutions because of home care, so, sure that's going to go up, home care, but we're saving money somewhere providing we don't go and fill the beds again in the other end, then there's no end to it. Any time we learn to cope with something and save money, it's going to cost money because it's always an add-on if we keep on with the same beds or more beds and if we don't close beds. This, by the way, was 29 percent of all the admissions to home care.

Now there were 5,480 of the people admitted to home care in '86-'87, would otherwise have been in the hospital if the home care program had not been able to accommodate them. So, that is changing and the point again, this is a policy, it is not the ADM. If there is policy, it is not the ADM. I'm the one that should be criticized. I have to take the brunt for the Cabinet in this department and especially on policy. That is my responsibility. It might be that that might be a mark of being efficient if we are spending more on home care and if we can close certain beds. That should be understood.

And as I say, fine, we can play cheap politics in there because it's easy to get the people up in arms, but if we're really interested and sincere in trying to work and retain the health care that we have in Canada and Manitoba which, as I say, as a universal program is the best in the world, then we will have to do things like that and we will have to work.

Therefore, there could be a difference of opinion, but there's no way that I should be criticized for overspending here and saying that you're not running a good department or when I try to get the people to be efficient and to be responsible, and a hospital being criticized, or that individual case should come of some poor people that have handicaps, rightly, that we're not spending enough money if we're spending \$60,000.00.

If this is going to be a constructive exercise, tell me what you want, but don't cover all the angles on every issue. I think that's the important thing. We are clearly saying and we are asking for your help. I'm not saying that you can't criticize us, but be consistent. We need to work together on this, and the public of Manitoba. This, if anything, should be above partisan politics - I said it before - and there are certain things that will be because there would be a certain ideology.

But the member said yesterday, and I'm inclined to think pretty well the same thing in many instances. None of the three parties represented here today disagree that much. It might be a different approach but you know you can't have it both ways. If we spend more money, something's got to give. Either there's got to be a deficit or there's got to be more taxes or we're going to cut from other departments.

All right, I'm challenging you now. Are we spending too much money or not enough money on Health?

A MEMBER: You're spending more money.

HON. L. DESJARDINS: You're not answering my question. Are we spending too much money or not enough money in Health?

MR. D. ORCHARD: He's not the Minister.

HON. L. DESJARDINS: He doesn't have to answer it - he's not going to be shot if he doesn't answer - but he should have, he should have . . .

A MEMBER: You're spending more money and you're cutting people off . . . that's what I have trouble understanding.

HON. L. DESJARDINS: You're sure right, you have trouble understanding. Someday I'll try to explain it to you . . .

MR. CHAIRMAN: Does the Member for Pembina . . .

HON. L. DESJARDINS: . . . but when somebody doesn't want to learn, it's pretty damn hard to explain.

MR. CHAIRMAN: . . . want to give up the floor to the Member for Brandon West?

MR. D. ORCHARD: No, it's the Minister, the Chair that has to give it up. I'm not talking.

HON. L. DESJARDINS: No, for once he's quiet. I was talking.

MR. D. ORCHARD: I'm just listening. Oh! Is it my turn?

Mr. Chairman, you know the Minister ended his remarks, or close to the end of his remarks, by saying we can't have it both ways.

HON. L. DESJARDINS: Except Jay, except Abe.

MR. D. ORCHARD: Well, Jay tries to have it both ways, too.

HON. L. DESJARDINS: Abe, Abe.

MR. D. ORCHARD: Mr. Chairman, I don't want to dwell on this, but I just want to point out where the Minister has gone 180 degrees and made an about face within 10 minutes this afternoon. First of all, he said that, you know, sure there might be overexpenditures because if a child needs open heart surgery, I'm not going to say, oh, there's no money, we can't do that, therefore you can't have it, so therefore you have it; and yet, on the other hand, when it comes to Brandon General Hospital and they are providing those kinds of services, yes, you say, well, you do have to stop providing those services, you do have to close beds.

Now, Mr. Chairman . . .

HON. L. DESJARDINS: You forget one thing, that the middle column, we said yes, we will give you that. You forgot that very conveniently.

MR. D. ORCHARD: Mr. Chairman, I don't recollect in the Minister's answer that I interrupted him, and I realize that the Minister has a problem.

So he's indicating on one hand that he isn't going to deny services and, on the other hand, he says the way to handle the problem in Brandon General Hospital is for them to cut back beds. He's mentioned bed cuts, cuts in service, etc., etc. So he's trying to have it both ways. I'm not going to argue that point with him. That's a point we can argue when we go down to the hospital line.

In this line, the 33 percent overexpenditure, the Minister still hasn't asked the basic question: Is there efficiency? Is there accountability within the department? Simple as that. Because there may be a justifiable reason why this money was overexpended by 33 percent, but there also may be mismanagement and improper financial accountability.

Can the Minister assure us that it isn't the latter?

HON. L. DESJARDINS: My honourable friend is right. I'm sorry that I interrupted him; he hasn't. To say that I have a problem, no. My problem is just to have the people understand what I'm saying and I think they do.

My friend says I'm trying to have it both ways because I'm talking about bed cuts. I've always said - and any person that is involved in providing services, that has the responsibility, will tell you the same thing - you've got to reduce the beds. You've got to reduce the beds.

A MEMBER: Didn't he say that a year ago?

HON. L. DESJARDINS: Oh yes, I said that a year ago; oh yes, I did.

A MEMBER: Len Evans sure . . .

HON. L. DESJARDINS: Oh yes, I did.

MR. CHAIRMAN: One at a time, please.

HON. L. DESJARDINS: I can't talk for Len Evans. I talked to Len Evans; he can do . . . And you people have a private war in Brandon; good luck.

MRS. S. CARSTAIRS: Mr. Chairman.

MR. CHAIRMAN: Yes, Ma'am.

MRS. S. CARSTAIRS: I really think that those of us who have been sitting here continually through Health Estimates and waiting for our turn to ask legitimate questions should not have our time interrupted by a gentleman who came late and who is now interrupting.

MR. CHAIRMAN: Okay, I'll try to do a better job of controlling the Chair.

MR. D. ORCHARD: I think that the Honourable Liberal Leader tends to overreact slightly. Comments from this side are only wasting time if a Minister reacts to them and obviously he wants to. So, you know, the Liberal Leader can lecture her school children in the school class and not in the Legislative Assembly.

MR. CHAIRMAN: The Member for River Heights has the floor. Is that right; did you give up?

MR. ORCHARD: No, I didn't give up the floor, Mr. Chairman. The Minister was speaking; she interrupted on a point of order.

MR. CHAIRMAN: Well, I'm at your service and I'm trying to allow free flow of debate . . .

A MEMBER: You wouldn't try to muzzle debate would you, Mr. Chairman?

MR. CHAIRMAN: . . . and if that isn't, you know, if it's not to the liking of this group, I'm at your service and, of course, I will try to make the rules a bit tighter. The Member for Ellice.

MR. H. SMITH: I support the Liberal Leader. I think it's very unfair to go ahead and have someone who's interjecting and taking up time of this committee. I think we'll save time by taking this position right now and having an orderly meeting rather than this sort of interrupting at will and in taking over the meeting.

MR. CHAIRMAN: I tend to allow one or two interjections, but I think if they become more frequent, then I have to clamp down. The Member for Pembina, please.

MR. D. ORCHARD: Mr. Chairman, the Minister was in the process of an answer before these points of order and he can continue with his answer. I'm ready to listen.

HON. L. DESJARDINS: All right, what I have been saying is that we, as a policy, as stated and are stating again, that we must try to cut beds. If we don't do it

- and it's not just an option, an ideology thing. It is that from Day One, when hospitalization first came in, it recognized only acute care beds, and there was a tendency then for the government to say, well, we're going to build those kinds of beds because we only pay 50 cents on the operating costs. I'm not blaming anybody; that was the No. 1 at that time. And we'd have a service that not everything is geared - and we talked about that yesterday - and you were right, all the members of this committee, when you were assessing that things could change, that now the people should be encouraged to try to change the motivation of the consumer and say, well, you just don't care, buckle up, or stop smoking and so on, so you just don't run to the hospital. That has to be done and there has to be more service in the community and this is what is being done.

Now, we are saying that in certain areas, for instance, let me give you an example, what would you do? Somebody comes in and they say, all right, we want this machine; this machine is going to save all kinds of beds. And it's true, it's an expensive machine. And what was done before, they would say, fine, you're right, it's going to save beds, the people won't have to be institutionalized for that because they won't have to, they can have the treatment immediately and then they're out. But then you would pay that money and then somebody else would get that bed. No beds were left empty. That's the situation so therefore it became an add-on and we are in a position now where we've increased by 175 percent, in the last 10 years, the cost of this department. We are in a position where just the hospital is \$1.2 billion this year and in four or five years will be \$2 billion.

We are in a position that we will lose what we have and we're saying we must find ways not just for funding, but I'm not going to pretend it's not a concern. Also who said that this is the best way that people should be in a hospital for the least little thing? In fact, it's the opposite that's true, that people in many instances would progress better, if they have the proper service of course in a setting like their home, providing they're well taken care of. This is what we're saying. In the hospitals we said we're going to do it in an orderly way and we're working with the hospitals. We have allowed a big part of the deficit but not all of it. It's not the same - that I want it both ways.

Then we're talking about home care and that's going to change. Now, I can give you some of the reasons why it has increased and I'll read from this document that I have. "Actual home care expenditures are expected to up by 19 percent from the actual in '85-'86. The reasons are increase in admission, caseloads. Admission increased by 583 cases, or 13 percent when April to August figures are compared to the same period last year. There has been an overall increase in home care caseloads of 12 percent during the same period. The month end caseload in August '86 was 13,760, up by 1,324 from August '85. Then there was short-term program increases. There's a greater turnover in the short-term program as admissions are up by 18 percent or 327 cases. Discharges increased by 319 cases, representing 22 percent. The assessed care level at point of admission indicated that admissions at the acute hospital level are up by 21 percent. In terms of numbers, 421 more people than the five months of '86-

87 were admitted at this level and these cases require heavier care.

"More overcost cases are being served, units of service increased at higher care levels. In relation to above units of service have increased, there has been a shift to heavier care. The number of registered nursing units including VON delivered in the month of August was up by 3,426. On an annual basis this would be an increase of over 41,000 hours of nursing at a cost of over \$900,000.00. There has also been significant increases of home care attendant services and overnight and daily services. The units per person served in August were higher than the monthly average for last year. Registered nursing was up 0.4 to 5.2 units per person. Home care attendant service was up 3.2 units to 30.6, and LPN was up by 0.5 to 5.1. The monthly average for daily 24-hour homemaking increased by 60.8 units per person served per month and these are average across all clients in region."

I can read some more. Then we had, I think, a decision or a ruling from the Labour Board with some of the homemakers, that we've had to increase and it might be increased especially if they're unionized. They're looking at a first contract. I don't know what we're going to do if this happens. That's going to increase the situation, so there are a lot of factors that might be changed.

MR. D. ORCHARD: Mr. Chairman, the Minister has given me a substantial amount of answers but basically he hasn't addressed the question about whether the management systems, the management capabilities are in place to assure him and the people that the money is being properly spent.

Now, included in Home Care Assistance, correct me if I'm wrong, is the home orderly service. I think if you recall back to the home orderly services, back in 1981, circa 1981, it was an election issue, because one of his colleagues brought an individual into the Legislature when the timing was right and at that time it was a contracted arrangement with private sector deliverers of service. The NDP Opposition solution to that at that time was naturally it's dastardly if it's in the private sector, therefore we're going to bring it in-house, which they did. Now, it's my understanding that in addition to other factors, the home orderly service expenditures in some five years have tripled and the costs are, one might use the term, out of control. Bringing it in-house has caused some substantial financial drain on the department.

Mr. Chairman, what I want to know and this is where I've been coming from consistently since last year, when I was trying to bring the Minister's attention to problems within this ADM's responsibility that: (a) there was morale problems caused by management style from the ADM down and; (b) I was not convinced in discussions with people who I had discussions with that quite frankly, and I know this will draw the ire of the Minister, that the management capability was there.

I've been asking the Minister if, after he went to the Treasury Board for approval of a special warrant for a 33 percent overexpenditure, if he satisfied himself that proper management systems were in place? I've been trying to get that answer and it hasn't been forthcoming. So what I'll do is I'll quote to the Minister

from an analysis of his Treasury Board submission which might provide some of the answers to him.

"The review team," now I don't know who the review team was, but presumably it's a review team in the Department of Health, "found that there's very little consistency in the type of systems utilized by the unit's review. Generally, the condition of financial records of the department are considered to be poor-unacceptable, with serious difficulties experienced in the following areas, Continuing Care Directorate. The review team found these records to be poorly organized, not regularly updated and in such condition that the process of making future projections was severely impaired."

Now, Mr. Chairman, I want to contrast continuing care with home economics unit, Health Promotion, you know, we just discussed yesterday. It says here, although the records within Health Promotion were, in general, acceptable, the records maintained by the home economics unit were excellent. This can be attributed to both a well-developed system and excellent staff - the very staff the Minister moved out of his department.

Now, Mr. Chairman, I simply go on to some conclusions that were offered here. Conclusion No. 4: The perception of field managers is that the attitude of senior departmental management is not conducive to responsible financial management. This results in conflicting messages. One example relates to an instruction to send large numbers of staff to seminars that they view as lower priority and contributing to overexpenditures, conflicting advice coming from senior management. It says here in conclusion No. 5, "The Continuing Care Program is completely out of control. Even after an in-depth analysis of expenditures and projections at the field and central office level, the review team has low confidence in their ability to project expenditures to year end."

And then the 6th one deals with Home Orderly Services, "Due to rapidly escalating costs, the Home Orderly Service requires special attention as a component of the Continuing Care Program. Costs of this service have grown threefold over the initial allocations with items such as mileage averaging 13,000 per month, and pagers at \$500 per month."

Mr. Chairman, the Minister's got a problem here, and it isn't as if this problem is new. I didn't have a document like this last year to read to him, but I did warn him last year of difficulties in this ADM's departmental responsibilities. Now this Minister went to Treasury Board, presumably sometime in November or December, asking for \$8 million, primarily within one ADM's financial responsibility, for programs, one of which is 33 percent overfunded. Now I don't know whether he didn't do it, but if he didn't ask what are the management controls?

Maybe this Opposition critic was asking some legitimate questions last year, maybe I should ask them now. I simply say, Mr. Minister, did you and are you satisfied - did you ask the questions about the management ability with your ADM, and are you satisfied with it? You said earlier in these Estimates that you are.

Now are you satisfied with a statement that says that the Continuing Care Program is completely out of control? Is that what you're satisfied with, Mr. Minister?

HON. L. DESJARDINS: Well, first of all, I think that is a slight exaggeration. What I said - yes, I am satisfied that the people there are doing their best. I know that we always have to improve, and this report looked at all the things and there were about 30 responsibility centres. They identified some that were very good and others were more difficult.

I gave the reason why it is a very complex one, the Home Care, and I gave the reason why the situation is the way it is where there was such a big increase. I also stated that we were looking with Treasury at the - what's the word - assessing the program. I said that our system had to be modernized, and then we will have to change policies. What I keep saying is that it is not one person who has the responsibility. That person, for instance, is not in the home assessing the need and you have human beings and that will be changed. You have some people who will suggest that more help be given and others that less help be given. This is the situation we have.

There's no doubt - and I said that earlier this afternoon - that we have to look at Home Care; it has to change. It has to be improved in certain situations. Some of the things we were doing, because we were looking at the patient without always a policy, and I gave an example of that, of people that were physically handicapped and so on; that all of sudden you would stop when providing some help - to help them go to the toilets in some of those facilities at work - would improve the situation and would have them lead a normal life.

Now, we've talked about areas that were very difficult. We've talked about home care orderlies, and that is fair. I can tell you - the initial projection for the creation of home orderlies - now, my friend talked about that's fair game, talked about the election promise. I don't remember that; I never made that promise. In fact, we were faced with a situation where the home orderly, I have no hang-up on that, if it's a private group doing a thing of the orderly, providing they're providing the service and they were doing their best, but they were far from adequate. Everybody will admit that, fine, that there's room for a lot of improvement, that there has been an awful lot of improvement, nobody will deny that; no group will deny that there's been a big thing. I can tell you that as of February 1986 this service was delivering 2,740 visits to 7-11 clients per week, an annualized volume of 140 visits, and we've had problems with some of them.

Now, the initial projection for the creation of the Home Orderly Service within the Winnipeg region in 1984 had been 67.5 for operating funds, based on historical expenditure for a few workers. This funding estimate has been significantly underestimated for the following reasons. Staffing, August 1984, 20 orderlies serving 120 clients; in July 1985, 40 orderlies serving 420 clients.

Sure, that's what you talk about completely out of control. It is those kind of changes when you're going on that we have to get a handle on that, but that doesn't mean that everybody who's connected with it is doing a poor job. We always have to try to improve and when we're dealing with this kind of thing. You know, if the Creator in heaven couldn't make these people perfect, what do you think we're going to do? We're going to make mistakes but we're doing the best we can. It is not anything that I feel I can point a finger at one

person, the ADM of the department, and say it's all your fault.

It's much more my fault than their fault. If that person has the responsibility for all the staff, I also have a responsibility to the ADM. I don't know where everything is at, any more than the ADM knows, or the director, who's been at this from practically from Day One, assisting 10 years with this program, who has been the more interested person this year and last year as she was 8 or 10 years ago. I think these things are changing.

I'd be a damn fool to say I'm perfectly satisfied that everything is perfect. Of course it isn't. Especially the more problems you have, the more uncertainty there is to programs, the more you have to be on your toes. But then the difference with putting out and saying that person is incompetent, we're going to replace him, I dare say that until the policies are clear, until we know really what we're doing, we're going to have the same problem. I told you that in March 1985, there were 40 orderlies serving 420; now there are 45 in March '86 serving 450. Five additional orderlies will be hired during the summer of '86. This will represent 150 percent increase in staffing, 275 increase in clients. Sure, those are problems.

The level of service has also increased. In 1984-85, the average unit of service per month was 4,059; in 1985-86, the average unit of service per month was 6,187; in 1986-87, the average was 7,028 and this represented a 73.14 increase in units of service. So you know, I can go on, but let's look at the whole thing.

Fine, I'll accept the responsibility that this program is not perfect and we're going to do something about it. He didn't have to wait till we were told that there's concern, that's the easiest thing to say, that there's going to be concern when you're dealing with these kinds of people.

We will face the responsibility, and I'm not here at this stage to defend all the policies of government. Some are well known that we don't feel to subsidize, that this government is on record as saying we're not going to subsidize health care on the feel of the workers. They believe in certain things; they stand for that and they're not hiding. There's no doubt that when you have these groups, there's a tendency of wanting to unionize, which is not a crime, and that is taking place and that's going to cause problems. If you have those safeguards to protect the workers and so on, and then that could be a fair argument that we might not agree on that. It might be that the most efficient way of dealing with somebody is cut the cost, and cut the cost would be the lower paid.

I'm not suggesting for a minute that that's what the Conservative Party is saying, but in effect, if you want to attract business and if you want to save costs - and again, I'm not comparing this to what the Conservatives want - but the most efficient way would be to bring back slavery. Of course, nobody wants that. There are different degrees of what you're going to do and how you're going to treat the workers, and that could be a discussion, a fair discussion, between the two groups.

It's the same thing as we're told that wages in hospitals are too high, and for a while they were much lower. I think we've caught up; I think we're at the level of the private sector, but for a long time it was subsidized by people, by nurses who were student nurses. It wasn't just experience they were getting. They were getting

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up in the middle of the night and working night shifts. So we were using cheap labour. Sure it was cheaper, but I don't think we want that any more.

That could be something that the two parties disagree on, but as far as I'm concerned, as Minister of Health, and I'm not here to defend all these . . . not that I worry about it, that I don't want to defend them, but the main thing is I must accept, and that could be labour practice or labour laws or whatever, I must accept what we have and do the best we can with this, but that changes things an awful lot. If we could pay peanuts to the orderlies and if they weren't allowed to unionize, it would be a lot easier.

It would be a lot easier if the Labour Board didn't tell me what I have to pay the homemakers in home care also. It would be a lot easier, but this is something this party has accepted and, as part of the Cabinet, that I must respect.

MR. D. ORCHARD: Mr. Chairman, the Minister has given, I suggest, a futile attempt in trying to justify some very incriminating conclusions made by his own department on how this program is run.

He can talk all he wants about the impact of unionization on home care workers, home orderly staff. That hasn't happened. He can talk about the impact of more people receiving home orderly services or home care services. That presumably has happened to some degree.

But I find it incredible that the Minister would not even admit some concern that whoever - and I don't know who these people are in his department - the "review team," as they're called, found (a) a perception of field managers. These are the people that are out there doing, presumably, the leg work in administering the program. The perception of field managers is that the attitude of senior departmental management is not conducive to responsible financial management.

And when you have another statement saying the Continuing Care Program is completely out of control, Mr. Minister, you can't tell me whether, with all the expenditures of money, people are even receiving the services.

That's what that means, and for you to not even admit that there's a problem and attempt, in a futile way, to defend this report, I think is truly the wrong way to go, Mr. Minister. We could well be back here next year again with similar examples.

I simply ask you: how many years do we have to do this before you take hold of the situation, recognize that it's an extremely serious one, because this is only in Continuing Care? The logical question to pose, then: is this the comment in most other branches of your department?

Sir, I should hope not, because with comments like this, it demonstrates to me that despite the one and one-third billion dollars we're spending in Health, you can't answer me, as Minister, whether it's being spent efficiently and whether we're getting value for the dollar.

We talk on one hand that the only way - and you say this, Mr. Minister - the only way to control health care costs is to have beds cut because a bed in existence is a bed that's going to be filled despite the fact that you may use community-based programs to empty that bed. You say unless the bed is closed, someone else will fill it.

Working on that premise, Mr. Minister, you've come to that conclusion, but whilst you are going about the process of accepting that as a truth in cost control in "Health Reform," you can't tell me, in other basic line departments, whether the money's being wasted and frittered away or whether it's being effectively spent.

I suggest to you that your department, the "review team," is telling you that there isn't proper financial controls. I go back to the case I made. Pretty consistently, if you go back in terms of where I've been coming from in this department as critic, you will find that I've consistently asked you about the quality of your senior staff, the financial abilities, the management abilities of your staff and the programs that they control.

That's been consistent, because I am of the opinion that if you had efficiently spent monies, one and one-third billion dollars for the people of Manitoba will give them a quite adequate health care system, but unfortunately, my worst concerns are confirmed in this kind of report where you, sir, as Minister responsible, cannot guarantee that the dollars are effectively being spent.

I think the line, the Continuing Care Program, is completely out of control and indicates a serious flaw that money's being wasted. That's valuable resource and we can't afford to have that happen.

Mr. Minister, whether you like to admit it or not, until you come to grips with the problem and attempt to resolve it, and it may have to be resolved internally - you may well have to change some personnel and some staff, as unpopular as that might be. It was done in the Telephone System. It will no doubt be done in other Crown corporations and other departments as we proceed through them. Your's is no exception, your's isn't beyond reproach, but until you make the basic admission, it's sort of like, if you're going to reform yourself as an alcoholic, you got to admit you've got a problem.

That's a wrong analogy for you, Mr. Minister, and I don't intend any personal reflection on that . . .

HON. L. DESJARDINS: I wish it was true.

MR. D. ORCHARD: . . . but, Mr. Chairman, you've got a problem in your department. It is a problem that I have been attempting to bring to your attention now for a year-and-a-half - or not a year-and-a-half, I'll correct myself, nine months. It's been about nine months since we were last in Estimates.

Mr. Minister, you've still got the problem and the problem is worsening. The financial controls are lessening. The management ability appears to be less and you've got to take hold of that. I can make the suggestion to you and, if you want me to make it so that you can blame the Opposition and not take the blame yourself, I think you take a look right at the ADM who was appointed in November of 1985. I know that's a personal reflection and all this sort of unpopular thing that you are so concerned about, but that's your responsibility. The perception of field managers is that the attitude of senior departmental management is not conducive to responsible financial management. That's an incredible statement, Mr. Minister. You can't leave that uninvestigated and unresolved.

HON. L. DESJARDINS: Mr. Chairman, I'm not going to prolong this forever because we're going to have a

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disagreement on this, there is no doubt about it, but I want to correct the statement that was made. At no time did I say I wasn't concerned. How do you think this report was prepared?

I also mentioned with the Treasury Board and so on that we are looking at the program, assessing the program and then, independently, we'll have people to look at the program that has to be changed.

Now home care was practically invented in this province. It served the province well for a long time, but things are changing and it has some problems. It is the safest thing in the world to say you can't guarantee that every cent is spent wisely. You can make that statement next year, you can make it in 10 years and in 15 years with the kind of program that you have. I can guarantee that we'll keep on trying to improve the program and I am not trying to get a scapegoat to blame. I think we've done fairly well and I think that we have to improve. We've had strong points, we've had difficult points, especially because of all the nature of the reasons that I gave.

Now we asked for this report. We are going to be very tough on ourselves. What I criticized and I have criticized again is it is this member's intention of going personally after one person. It's a witch hunt; that's all it is, because some people in the department don't like the changes and they are blaming everything on this Deputy Minister. I would be cowardly if I didn't defend that.

I said, blame me, if you want to blame anybody on the policies, but the continuing with the little information that he has on that, because he's had from the same people - the same people, who, by the way, are doing a hell of a job; the same people who took an oath of office that they would be working with the government; they would not divulge what they would get because of their information and the member is encouraging that. It's quite obvious. He's doing that in every department and he is conducting the same kind of thing that he's done here, maybe with some success as far as he's concerned in other areas, and this is to get the information, but to attack people who can't defend themselves, and repeatedly. I accept full responsibility for these people and to say that I'm going to blame that person for everything else is ridiculous.

You have people, for instance, look at the teams that are doing the assessment, looking at that. How do I know? Do I know every word? Do they have a tape recorder and that they come every night and phone me and play their tape recorder and say this is what has happened? Does the ADM have that kind of information?

Look at all the changes that have come. We haven't been able to keep up with the change and we must try. Ask the people of Manitoba, you have tried repeatedly to discredit this department and the staff, which I think is unfair. That to me is very unfair and the people of Manitoba like what they have. Sure, you will always find and you can send a report or I can send a report anywhere and I'll find somebody in the hall somewhere. Go and see what happens in the United States. This efficient government that you were talking about. Go and see where people have to run from one hospital to the other to get chemotherapy. Go and see where there are 35 million, in the richest country in the world, 35 million people who have no insurance at all.

Go and see in that country where another 20 million have so little insurance that the least bit of sickness and they would be on the road. They would lose it all.

To think that you can have perfection, of course not. It's always easier to tell. That doesn't mean that you give up. I grant that and I accept responsibility. I accept the fact that we weren't that pleased with everything, that we had to tighten up. Fine, but to go and blame one person for that and to say, two years ago when you came in everything changed. That is cowardly. That is cowardly and that is a witch hunt and that is just doing the work of some people in the department who are not loyal enough to fulfill their obligation and duty when they sign that oath of office when they came to work for the department and your style is to encourage that kind of information from these people.

I'm not that concerned. You can have all the information. I've given you all the information, and I'll be go to hell if I'm going to be weak enough not to defend the people in my department and not to blow the whistle if you're going to try that kind of witch hunt, because that's all it is. That's McCarthyism. That's going after a person and you name people. You did the same thing last year, some of them because his wife happened to know the wife of our leader, and that's what I resent.

If you want to blame me, blame me. Blame me, I'll accept my responsibility. I'll accept the blame and then I will resign if there is anything I could have done with the knowledge that I have that I could have done differently. I'd have no problem with that at all. But I don't think it is fair to repeat and repeat the same thing to go after one person for some reason that you don't like that person, that you hardly know that person. You don't know how much work, how much dedication that person has and yes, I give that person high marks for a lot of changes that were done. But she did, like I said last year, she had to step on toes and some people from the old boy's club didn't like it because things had to change.

Now they are feeding it with a bit of information and you think it's great to have information, a Cabinet paper here, a Cabinet paper there, fine. I can't stop you from doing that. I can't stop you from encouraging that. I can't stop you from a witch hunt, but I certainly am not going to stand by and see people insulted on personalities, statements that were made like last night that were not correct.

Fine, if you've got something to criticize. It's so easy. The easiest thing in the world is the critic on the Health Department, because there are so many things that can go wrong, because of the high cost, because everybody has a different priority. If you're a heart patient, you know where your priority is. If somebody died of cancer, you would give anything to cancer and you are ready to spend the whole thing. Some of us, I'm sure I'm not the only one, I lost a daughter when she was 12-and-a-half years old. I would have given my life, my business, my money and everything. There was nothing too good and we're all the same. I'm no exception.

It's going to be very easy to point the finger and say, look, that's not perfect or to bring somebody here and they say you're only spending \$60-something-thousand on home care, you're rationing it and so on.

Fine, the criticism, we're talking about management - my job is to accept responsibility. My job is not to

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manage. I don't insist to manage every different program. I think that we work as a team; and if we're guilty, if we're wrong, we're all wrong. The Minister is wrong, the Deputy Minister is wrong, not only the ADM and the staff, and you're dealing with different people with changing times.

It's funny, I get calls from MLA's who are talking about administration, they always want more and more and more, and I'm not blaming them for that because that's the nature of the beast. That's what they're supposed to do, is fight for their constituents, but recognize when we're trying to do something that we don't have it every single way; that somebody tells us, you know, you've got this deficit, you should be ashamed of yourself. Somebody else, these taxes, what are you trying to do, you socialist buggers? What are you doing? Or that we say, all right, you're cutting beds. Boy, you're sure heartless. You don't care about the people, and then we're getting it from all sides. But then you're putting more money from Home Care, you're a poor manager.

Fine. All in all, I think we're doing a very good job. That doesn't mean that we can't improve the situation and it's going to be the toughest of all jobs because we've got to convince people who, contrary to what my honourable friend is trying to have us believe, are very happy. Internally there's a bigger percentage of people in this province who are happy with the health services that they're getting than any other province except Prince Edward Island, if you call Prince Edward Island a province.

So, Mr. Chairman, I think that it's a thing that I criticize. I'm not saying that I refute that. They could be statements completely out of control. Obviously, that is a crazy statement to make, to say that it could be improved, I said that we didn't have the money. We went to get the money to try to get the staff. The same people in this committee were saying, look, you're increasing staff, in years like that, and I say in front of my colleagues here that we are getting dangerously close to having problems by cutting staff in management and administration. That's always the easiest one. Do it within, get somebody from administration, get somebody from these areas, and we haven't got the staff.

There are different ways. I can have a very, very well run, very easy to run Home Care Program. I can cut down on the admitting, on the list of people wanting to go to personal care homes. That's very easy, I would just cut down on the staff who do the assessments. If the assessment isn't made, nobody can say you're on the waiting list, you haven't been assessed. You've got to wait six months before you're assessed, with the need that you need to get proper home care, but we're not going to do that. At the risk of being criticized for being poor managers, we're going to try to do the best we can with the people and we'll improve the situation and we'll tighten up as much as we can.

But Lord Almighty, blame me and blame the policymakers for what's wrong, not especially one staff person who's supposed to be everywhere and everything and know everything and that all of us would change in two years. Things haven't changed in two years. Things haven't changed that much in two years and some of the things we're getting now are because of past performance. If anything has changed in two

years, it is the will to agree with the department, with the government to change.

In responding to my opening remarks, again I was chastised that we're not moving fast enough, that we're not changing fast enough. You can't win in this area at all. No matter what you do, you're wrong, so I accept that it has to be improved, and I also say that you can make the same remarks and they'll be valid next year, no matter how hard I try, and the year after and the year after, because it's not going to be perfect, not when you're dealing with this kind of thing. It's personal and human judgment that you have to rely on to see what assessment and what you can offer and what you should offer.

MR. D. ORCHARD: Mr. Chairman, I regret the Minister is using words like "McCarthyism" and "witch hunt" and all these sorts of things, because I've been Health critic now for two-and-a-half years.

I suppose I could have wheeled somebody in, in front of the Minister's office, in a wheelchair with a problem, as was done by some of his colleagues in 1981 in preparation for an election, but I don't tend to get into that kind of, what I describe, sleazy sort of attempt at embarrassing the Minister.

I have tried to consistently point out in a factual way where the Minister has problems in his department, and I believe I have done it for his benefit, if he would accept that. I am trying to tell him again this year, and you can strike the personalities out, do whatever you wish, but do something to put some financial control so that, as you describe, "the crazy statement of completely out of control" isn't written presumably by your own staff.

Mr. Minister, I don't enjoy sitting here and pointing out to you, for two years in a row, problems you've got. I don't think you enjoy trying to defend them, and you say, blame you as the Minister. What Minister in the Pawley administration has ever taken responsibility for anything within his purview? Certainly Al Mackling hasn't. - (Interjection)- You haven't. Well, then is he . . .

MR. CHAIRMAN: No conversations across the table, please.

MR. D. ORCHARD: Mr. Chairman, since the honourable backbench of the New Democratic Party says he's taking responsibility for it, do you think an \$8 million overexpenditure is sufficient in a department of one-and-a-third billion for a Minister to resign when he can't tell us that it's financially in control?

HON. L. DESJARDINS: You wouldn't have a single Minister of Health in Canada.

MR. D. ORCHARD: All right. The Minister is saying that "because everybody else is doing it, it's all right for me to do it."

Mr. Minister, I suggest to you, and I ask you, you say you recognize the problem and you're attempting to do something about it. What financial controls are you putting into place and who is putting them into place? Who's developing them? Who within your department is doing that, because that's the next area that I want to talk about.

I've identified a problem that you have identified to you on an internal basis. Who's in the process now of resolving it? Who's developing the financial management systems so that a year from now, hopefully, someone will be able to say and commit to paper that this program is no longer completely out of control, that we have control systems in place, and who's going to be responsible for implementing them? That's what I want from the Minister now because it's not simply good enough for the Minister to accuse me of a witch hunt when we've got \$8 million that is overspent in a program where his own staff call it completely out of control. That's not my words, Mr. Chairman, that's your staff's words.

I want to know from you the assurances that we're not going to have a repeat next year.

HON. L. DESJARDINS: Mr. Chairman, I don't blame my honourable friend for quoting something that he likes.

Let me remind him that the report that he is quoting is purely a financial review, that has not taken program consideration into account at all. It is certainly obvious that this sentence of "completely out of control" is certainly oversimplifying problems. There's no doubt about that at all.

Having said that, again I'm saying, yes, we're taking it seriously, we're the ones, at the Commission. What are we doing? I told you that we are looking at reorganization, also to get better control, also that we're talking about reorganization between the Commission and the department. We also made the automation of the Continuing Care Program a top priority in the department. If we get the money, we'll do it, and I've got to go to Treasury like everybody else and there's not one single Minister here that is happy with the funds they get. It must be a question of priority, but every single thing that we've gone through so far has been a priority with some members of this committee. Okay, so fine, that is one thing that we're making a top priority.

We're finalizing an automated accounting system, in association with Community Services, that will improve the reliability of the financial records in all areas, and this system will be tested in one of the Winnipeg regions in the next month or so. We're also reviewing and rewriting the automated Homemaker payroll system. We have growing pains in that department; we have growing pains.

Financially, I can understand where a statement like that could be made, but you don't just look at the final course. I'm not minimizing the importance of the financial situation and we're addressing that, but I am also saying that we have to take the program consideration into account also and that's what I'm saying. And I am saying, I hope for the last time, that the responsibility, the way we work in the department is a team approach, and there's a management committee constantly.

If there is something wrong in the department, it's not only the ADM, the other members and the Deputy Minister should know, and if it's announced like this, the Minister should know, and we accept the responsibility collectively. That is what I'm trying to say, that's the only thing. I'm not saying that we don't accept

some of the criticism, of course, we do. I'm trying to give you what I think are good reasons or excuses, call it what you want, and I'm saying because the program is changing we have growing pains.

I don't know of any programs that you can stay put forever, and these growing pains, I've mentioned them. I'm saying this report that he is talking about "completely out of control" was looking purely at the financial review and not taking the program into consideration. So fine, I accept the criticism.

If my honourable friend is saying that he's doing that in good faith to help him, I'll accept that. We'll continue to try to tighten up, and if we don't we'll sure be brought to order by the Treasury Department, because the Treasury Department has ordered a review and assessment of Continuing Care also, with us concurring, of course.

MR. CHAIRMAN: May I interrupt these proceedings for Private Members' Hour?

Committee rise.

SUPPLY - AGRICULTURE

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

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

The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, I wish to provide for the Honourable Member for Virden the information that we talked about, the livestock feed security information that we received from the five farmers who were involved in the original survey and the 10 farmers involved in the additional survey, and the breakdown, the information that I provided him last night. I want to pass a copy of that information to him.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. G. FINDLAY: Mr. Chairman, through you to the Minister, I have certainly some concerns about this program in general. I don't have any qualms with the idea that the program is needed. I just have concerns about where we're at in terms of program delivery and where we may end up being in terms of program delivery in the next short period of time.

I gather that there has been a little bit of correction of the Minister's original statement that there were no measurements taken in 1985 in the Shoal Lake Municipality. It seemed to be somewhat corrected last night in terms of the base-line data.

But, Mr. Chairman, I would like to read from the letter that is sent out with the contract for 1986: "Dear Insured:" - with the heading "The Manitoba Crop Insurance" - "Enclosed is your approved application and statement of insurance for the Livestock Feed Security Program. The conditions covering your contract are listed on the reverse side of this application. Individual farmers do not have to file a claim under this program each fall.

"The Manitoba Crop Insurance Corporation will measure actual production in each municipality. If the

measured production is less than 70 percent of the eight-year average yield for the municipality, a payout will be triggered for all insured farmers in the municipality."

That came with the signed contract. And under Terms and Conditions on the back of the contract, No. 4: "Loses will be determined on a rural municipality or LGD basis and the Corporation agrees to pay the producer for each animal insured on the following basis." And on it goes.

Mr. Chairman, like I want the program to work, but it's basis eight-year average-yield data, and I, basis what we had for discussion last night, have serious doubts that we have that eight-year base-line data. At most, in some municipalities, I would surmise we have only one year of data, and we're selling a program with 6 percent premium on the basis of some very sketchy and scanty data.

The Minister said last night, "We'll have some growing pains as we work our way into this program." But I wonder if it's logical to take producers' money on a premium for a program that hasn't got sufficient base-line data to really determine when and if payouts should occur.

I'll tell the Minister - in this municipality that we have some problem with, I, as a member living in that municipality, have not had a shortage of hay from my farm area since 1961 until this past year 1986, and I will tell him that I bought insurance because I knew there was a flood situation because we had heavy rains in '85. That's what most farmers did. Then they're told they had 145 percent production in 1986.

So there's a problem here, and the eight-year data, had it been available, we'd be in a safe position to make a definitive decision as to whether there was an increase or decrease in production in 1986 relative to previous years.

Well, I don't think there's sufficient information to really have the program ongoing to the extent it is, and I happen to know the one municipality, but as far as I'm aware, there's 80 other municipalities technically in the same category that they were put into the program in 1986 as a lump group without any more than, at most, one year's base-line data. If there's more, I would like to know that.

And I'd like to hear the Minister's comment as to whether he believes that this program is sufficiently based to be selling it with a 6 percent premium as is presently in place.

HON. B. URUSKI: Mr. Chairman, I am advised that the Corporation, in terms of its data base on tame hay, had data because of previous coverages; but because of the particular year, they did not have enough information on the specifics of the year and did not - and acknowledge - did not have a large enough sample that could take into account the question of native hay.

As a result, that resulted in the additional survey and, of course, I put out the figures that I gave my honourable friend last night and that's why I queried him as to whether or not, from the surveys now taken totally within the municipalities, because as I understand it as well, there are farmers within that municipality who get some of their hay supply from adjoining municipalities . . . - (Interjection)- The member confirms it. Much of their

field hay would come from what? - the LGD of Park, possibly?

A MEMBER: Rossburn.

HON. B. URUSKI: Rossburn and areas, and that's what staff were aware of. So that in terms of the actual sampling that they did of cross-referencing hay supplies in the neighbouring municipalities, they may not have been out that far, but that's why they additionally took an additional survey that they want to have further discussions with the rural municipality to see whether or not some of the data base on the 1986 crop year, in specific, is still out and see what further information they can glean before they make their final determination based on what samples that we have taken up to this point in time.

MR. G. FINDLAY: In the Livestock Feed Security Program, it says right in there, under Yield Determination, that native hay yields are utilized in those areas where it's significant and where records are available.

Has it been determined in each and every municipality what an established breakdown is between native and tame hay? And if that is true - and I would assume it should be true - is that reported to each contract holder so that when he's in a position of getting ready to make a decision on his contract for next year, he knows whether he's covered on his field hay or not and covered on his native hay or not and he can make a decision then, basis of the perils he may face as to whether he should be putting the money in, because a 6 percent premium is fairly substantial?

HON. B. URUSKI: Mr. Chairman, the honourable member will recall that in the opening remarks I talked about - in debate - I talked about the premium level and that was a concern to us.

In fact, Mr. Chairman, the honourable member should be aware that, because of the large payout that was made in 1985 within those 20 municipalities, the Federal Government request of us that the premium should be more like 16 or 18 percent. In other words, the producers' share would be more like 8 or 9 percent, and we felt that we could not make a longer term judgment moving from the premium that we had into that kind of a spread in one year based on one year's experience.

We felt that a more realistic premium would be in the neighbourhood of 10 percent. We negotiated and finally settled on the 12 percent figure as a kind of saw-off. But, as I have indicated to my honourable friend earlier, there is no magic in terms of the determination of premiums and there is no exact science involved in the setting of insurance premiums, whether it be for hay, whether it be for crops, whether it be for automobiles or whatever. You take the data that you have and you make the best guesstimate based on what information you've got as far back as you can. Of course, the greater historical depth that you have in your research, the much more accurate you can reflect. Your premiums will reflect greater accuracy. The shorter the data base that you have, the more problematic or at least more volatile could your premium structure become.

MR. G. FINDLAY: The Minister still has not answered the question relative to native hay and tame hay split established by municipality and that information made available to all contract holders in each municipality.

HON. B. URUSKI: Mr. Chairman, every year, as I understand it, when the calculations are made and based on those samplings, that determination is made from the samplings that we undertake. We don't start with, for example - and I use this as an example - say a 60-40 split of tame or native, whichever way you want to put it, and then say from here on in it's going to be 60-40. Farmers may move progressively into more tame hay or, if it happens to be a particular year that maybe a frost will kill the alfalfa crop or something like that and they have to resort more to native hay, that will be reflected. So it will be reflected on a year-to-year basis, not just by the acreages involved.

MR. G. FINDLAY: I'd like the Minister to comment somewhat on . . .

HON. B. URUSKI: I guess to put it in a nutshell, Mr. Chairman, it's all on production, not on acres.

MR. G. FINDLAY: We touched on this briefly the other day, but do you not perceive that for producers with a reasonable amount of field hay in their feeding program that they have a duplication of coverage or can obtain a duplication of coverage through crop insurance on alfalfa?

HON. B. URUSKI: Mr. Chairman, there is no doubt that there can and probably are instances where a farmer can in fact be insured under both programs. One, of course, is a land based program and is an individual program whereas the other one does not necessarily have to be a land based program providing you have cows. It's a collective program. So the two programs have been both agreed to by the Federal Government, that they can both operate simultaneously recognizing that one, of course, being an individual program takes a much higher cost and a much higher premium to carry that program and deals with each individual case and a claim has to be filed.

I venture to say, Mr. Chairman, that eventually that individual program will become for some, I'm sure, less and less of a requirement because of the Livestock Feed Security Program. I think that program eventually, depending on the number of clients, but I would sense that there will be a diminishing number of clients over the next number of years in the individual program.

MR. G. FINDLAY: I'd like some idea as to how many people were signed up in the Feed Security Program in '86 and what kind of opt-out did you have at the end of March, which was the deadline for opting out?

HON. B. URUSKI: Mr. Chairman, to the best of our numbers, the number of insured clients in 1986 were 4,019 and there were 1,379 cancellations to date.

Mr. Chairman, it should be also pointed out that last year's hay crop was I guess what one could consider above average in terms of the Province of Manitoba. As best as we have been able to determine, only three

municipalities had hay crops less than the 70 percent average; 22 municipalities were at 70 percent to 100 percent of normal; 62 municipalities were between 101 and 140 percent of normal; and 32 municipalities were above 140 percent of normal.

MR. G. FINDLAY: In the Feed Security Program, are the premiums the same as the all-risk? It's 50-50 between the producer and the Federal Government and the Provincial Government pays the administration costs - my first question. My second question, relating to the figures you gave of roughly one-third of 1986 clients have opted out. The Corporation must have some idea as to why that many have opted out of the program.

HON. B. URUSKI: Mr. Chairman, there probably are several reasons and the major reason, I would venture to say, is the large hay crop and a large inventory of hay. I know that there are hay-for-sale signs almost everywhere in the province and I have received comments from a number of producers who have basically complained that the price of hay in the Province of Manitoba has dropped substantially and the honourable member confirms it within the last year.

As well, I would think part of the question would be, of course, the cost of the program. The premium structure, there is no doubt would have an impact, especially for producers and here, I have to admit, that you're entering into an area and a mentality of many producers - and I'm talking about the cattle producers - who historically have depended on, whenever there is a disaster, an emergency program to deal with their hay supplies. So you, of course, will have a number of years before the program will in fact come to the point where it'll be stabilized, where producers will know that if there is to be assistance and there is a shortage of hay, that there is a program and it is administered the same for all farmers in the Province of Manitoba, regardless of what part of the province they farm in, and that will take a number of years, I think, of being in place for many farmers that will really hit home. But quite frankly, I venture to say that many cattle farmers make their decisions based on current hay supplies and costs. The hay supplies, being what they are, I would venture to say that many farmers have made their decision saying I've got a good carry-over of hay, I've already got maybe 20 percent or 30 percent. Some of them - I know some of my neighbours, I look at their hay stocks and they probably have enough hay made to carry them through this year without cutting one tonne of hay, and there would be many of those.

I venture to say that they would not be thinking very seriously about coming into this program.

MR. G. FINDLAY: The way the regulations are set up now, producers can freely opt in and opt out on an annual basis, in one year and out the next, back and forth. There's no restriction because he's been in and he can't get back in or anything of that nature, or anything being contemplated in trying to control the entry and exit.

HON. B. URUSKI: Mr. Chairman, that is correct. There are the normal deadline provisions and the producers can in fact sign up or not sign up. There isn't the

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continuous contract that we do have with - I'm sorry, I stand to be corrected. It is a continuous contract and producers have the right until March 31 to opt out if they do not wish to participate another year.

As well, I should point out to my honourable friend that in 1984 the Honourable John Wise and I agreed that there would not be any more ad-hoc assistance due to drought and floods. On the basis of that agreement, we went into the Feed Security Program that both of us reached in 1984, and it certainly, as I've indicated, will likely take a bit of time for producers to realize that this is the program in terms of feed security for the livestock industry.

MR. G. FINDLAY: If you're in the all-risk program, the cereal grains program, I would understand that there is some penalty if a person decided to opt right out and it comes time to opt back in a year later - especially if he has a discount in place at the time he opts out - I would imagine he loses that discount position. So there is a deterrent to jumping in and out of the all-risk program, but there isn't in the Feed Security Program. Is that right?

HON. B. URUSKI: Mr. Chairman, I guess one would have to say that under the old system that would have been the loss to producers, recognizing that the old system loaded premiums for younger producers to help pay for some of those discounts for new entrants. There was and still continues to be some discriminatory aspect under the old system. As producers change over their contracts, they go on the new system and there is less of a loading in terms of the premium structure.

In terms of feed security, Mr. Chairman, because the Feed Security Program is community based, not individually based, there is no discount to deal with one's own management of his own operation. It is broadly based in terms of the rating and payout structure of that program.

MR. G. FINDLAY: So I understand that a producer who has livestock and grain, he has two separate contracts, one for the all-risk crop insurance, the other for the Feed Security Program, and he pays them as two separate premiums.

If that is true, how many producers have not paid their premium on the Feed Security Program?

HON. B. URUSKI: Mr. Chairman, we don't have the exact figure. It's in the neighbourhood of 300 that, as I am advised, have not paid their premiums, but we'll get staff to get that figure and provide it at some time during our Estimates.

MR. G. FINDLAY: I guess the Minister didn't answer the first question, that is, whether they're totally separate contracts and neither one impinges on the other?

HON. B. URUSKI: Mr. Chairman, they are separate contracts, but generally we would view a farm operation. One really couldn't say, well, I'm going to stay in arrears in one and keep one other one up to date. It's a Catch-22 situation. One would have to obviously say I'm getting out of one and cancel it if I'm not going to continue it and still could continue with another contract.

MR. G. FINDLAY: The obvious question now is what has the Corporation done so far to collect on these delinquent accounts which were due, what? - October last year, the end of October I believe, or the 1st of October, back in there somewhere, and how many have been collected since the deadline date?

HON. B. URUSKI: Mr. Chairman, I'm advised that the Corporation is now in the process of advising producers, those who are in arrears, that their premiums are and had been due and payable. In the event that they wish to continue with their contract, they will have to make those payments there. Of course, there are penalties or service charges assessed on delinquent accounts.

MR. G. FINDLAY: For those who have all-risk programs or all-risk accounts, are you going to then say that you can no longer have all-risk insurance on your cereal crops if you haven't paid your Feed Security premiums?

HON. B. URUSKI: If they haven't paid by May 10, then that would be the case.

MR. G. FINDLAY: Have they been informed of that yet or is that letter still to go out? This is only less than 20 days away from that point in time - or 25.

HON. B. URUSKI: Mr. Chairman, there was a February statement that went out, which on that statement there was a notation about what I have described as would be the situation. At this point in time there's an additional letter now going directly to those producers who would be delinquent.

MR. G. FINDLAY: I would surmise that a number of those 300 approximately whom you mentioned can be added to the category of 1,300 who have made the decision they no longer want to be part of the program. I would like to know what legal action you plan to take to collect on each and every one of those accounts?

HON. B. URUSKI: Mr. Chairman, they would be treated no differently than any of our other clients who have not made their payments. They would be given notice several times and then advised as well that we would be turning our file over to our solicitor who would attempt to collect in the normal fashion.

MR. G. FINDLAY: In situations where an account is not paid and cannot be collected, who ends up holding the liability? Do the other producers and the Federal Government hold the liability, who are the 50-50 sharers in the paying of the premium; or does the province pick it up as part of their delinquent administration activities?

HON. B. URUSKI: Mr. Chairman, in terms of if the Corporation incurs legal costs in the collection of delinquent accounts, that is absorbed by the province out of its administration. If there is a premium loss, that of course is absorbed by the premium account.

MR. G. FINDLAY: Have there been any changes in the way the all-risk contract is struck this year, in terms of levels of coverage, commodity by commodity?

HON. B. URUSKI: Mr. Chairman, I guess in the simplest terms I would say that the most major change was that which I announced when we went into Estimates dealing with the enhanced coverage for disaster moving from 70 to 80 percent in the following year after a disaster where farmers' coverage is then enhanced for the following year.

The other changes, of course, would be in the dollar values. There would not have been major changes in the premium structure this year, no. There has not been any significant change in the premium structure.

MR. G. FINDLAY: Let's just take wheat as an example. How many levels of coverage is there for the wheat crop?

HON. B. URUSKI: There is now one level of coverage. No longer is there the 50, 60 and 70; it is now at 70 percent and everyone has the 70 percent coverage. There can be a dollar selection, so that the dollar coverage, \$115, and Mr. Chairman, it appears that the level of coverage for wheat will remain at \$115.00. It appears that way.

MR. G. FINDLAY: \$115, that's a foreign figure to me.

HON. B. URUSKI: A tonne.

MR. G. FINDLAY: Dollars a tonne, okay.

As I recall last year, there were three different dollar levels of coverage for wheat. You could select whichever one you want. Is that still the case this year?

HON. B. URUSKI: Mr. Chairman, last year there were three levels of coverage at 150, 130 and 110. This year, in terms of the negotiations and discussions with the Federal Government, being that the figure was \$115, we felt that we would leave it at that amount, being that it is about as low as one would care to even put on the table.

MR. G. FINDLAY: Last year, a farmer could select from one of the different levels of coverage, dollars per acre. We're down to one level of coverage this year as I understand it. Is that right?

HON. B. URUSKI: Yes.

MR. G. FINDLAY: If that's the case, is that a basic bottom line figure or can it be changed in the future?

HON. B. URUSKI: Mr. Chairman, there are actually two options this year. The fixed option which I have provided for my honourable friend at \$115, or if he selected the high option which would be open-ended. In the event that market prices went up, that level of support would reflect with market prices. That decision, of course, will be finalized by the end of April in terms of farmers' decisions, then they will be able to make their choice, whether they stick with the new level which may be higher than it is now and it may not, but we expect that we will know those figures from the Federal Government by the end of April. Then farmers will make the decision at that point in time, whether to stay with the \$115 or whether to take whatever the new level

might be if it's higher. It will be no less than \$115, but it could be somewhat higher based on what information and advice we get from the Federal Government.

MR. G. FINDLAY: On what basis will that figure be altered between now and the end of April which is only some 16 days away? I understand that the farmer has only until the end of April to select his dollar coverage level for the crop year.

HON. B. URUSKI: I'm advised, Mr. Chairman, that our agents have told farmers that if there will be a change, an increase in coverage, that we would be advising farmers before the end of April and we would be contacting those who selected that level with us. Our agents would have that notification as to their clients who they have to notify.

MR. G. FINDLAY: The way the program is operated in this province, exactly the same as it's operated in Saskatchewan and Alberta in terms of these options and these considerations and the dollar value per bushel, is it the same in all provinces or are there different agreements, province by province with the Federal Government, on coverage levels?

HON. B. URUSKI: Mr. Chairman, with the exception, I believe, of the Province of Alberta having opted for certain additional subsidies in certain areas, the basic program in all three provinces is identical. The option that I am outlining today is basically there in Saskatchewan and Alberta as well.

MR. G. FINDLAY: I guess I have difficulty understanding, on the customers' fact sheets that the Corporation puts out, why for this year - we've already been talking about it - the fact that there were three levels of coverage last year for wheat, barley, oats, flax; and this year there's a \$1 level, plus undetermined dollar coverage, as printed on the customer fact sheet; but for other crops like rye, buckwheat, field peas, unseeded acres, there are still three levels of coverage.

If you're going to cut it down to one on the major grains, why not on all grains?

HON. B. URUSKI: Mr. Chairman, I'm advised by staff that where there appeared to be a high enough dollar value, that selection was still left for this year; but it appears that we will likely be looking at and moving all crops into that dual selection option in the years ahead.

MR. G. FINDLAY: The Minister, earlier this afternoon, announced that the major change was an increase coverage from 70 to 80 percent; that's the major change this year.

Then I would ask the Minister, in his press release, why he is quoted as saying, and I will read: "Agriculture Minister Bill Uruski said yesterday, 'Payouts will increase by about \$10 an acre in areas where a disaster was designated.'"

I would take, from his earlier comments, it's 10 percent, not \$10 an acre.

HON. B. URUSKI: Mr. Chairman, in the press release, we gave an example, and I'll read from our fact sheet

and the same example was used in my press release: "For example, if the long-term average yield for a farmer in a particular risk area with 30 bushels per acre, his coverage, at 70 percent, would be 21 bushels per acre. At 80 percent, his coverage would be 24 bushels per acre, an increase of 3 bushels per acre. In the event of a poor crop, the farmer would receive about \$10 per acre more in a payout than he would at 70 percent coverage." And that was on the basis of that example that the \$10 per acre was there.

The actual coverage is a 10 percent increase, but we try to give a typical example and relate it in dollar terms, not in percentage terms, as to what a farmer might receive under a claim, being in a claim position.

MR. G. FINDLAY: I guess we get into the same old dilemma of wondering whether the coverage in crop insurance is basis dollars per acre or basis yield per acre. We got into this discussion a year ago, and there's always a confusion because a farmer's buying insurance and he looks at this customer fact sheet and it says, "Dollar coverage, \$76.71 per acre," and he thinks he has a dollar coverage. But does he, in fact, have a dollar coverage or a yield coverage? And the Minister's press release does nothing to defuse that confusion.

HON. B. URUSKI: Mr. Chairman, the crop insurance, the basis of crop insurance is that the program is yield insurance. Mr. Chairman, in fact, clause 2, or right at the front of one's contract, and I quote, "The basis of insurance is to pay the said insured (a) if the actual yield of the insurable crop by reason of one or more, or one or more, designated perils falls below the total established percentage of the long-term average yield of average grade, the established price for each entire tonne of insurable crop by which the actual yield is less than such established percentage."

MR. G. FINDLAY: Mr. Minister, this is just what I said. Your press release does not help to make that confusion less - it just makes it more - when you have the lead-off statement of an increased coverage of \$10 an acre.

But further to that, Mr. Minister, I guess I'd like a little more explanation as to how this program is being set up for the long term. It says when a person has disaster, he moves from a 70 percent to an 80 percent coverage. Is that for one year, two years? What causes him then to go 80 back to 70? Does he pay a higher premium at some point in time during that course of being at 80, or are there graded levels between 70 and 80? How is the program run?

HON. B. URUSKI: Mr. Chairman, the entire program has a small load to cover that additional coverage within the premium structure. What will occur in our province is that in the year following, where the payouts are twice the premiums collected, automatically the coverage increases above the 70 percent level to 80 percent.

In the following year, if again that occurs, the following year the 80 percent level is sustained. However, in the year in which the coverage is increased to 80 percent and the crop is above the long-term average of 70 percent, the following year you drop back to the normal 70 percent.

MR. G. FINDLAY: One more question in this area.

Is it on a farm or by farmer basis, or district-by-district basis? You have 16 districts. Is it on a district-wide or farmer by farmer, or municipality by municipality?

HON. B. URUSKI: Mr. Chairman, I'm advised that the trigger mechanism is on a risk-area basis -(Interjection)- one out of 16, 15; one out of 15, and then the following year, it is on an individual-farmer-loss basis.

MR. G. FINDLAY: On the second year it's by a farmer-loss basis. How do you - I think you better bring forward a little more . . .

HON. B. URUSKI: Mr. Chairman, the farmer doesn't receive a payment until his coverage falls below the new coverage level. There could be farmers within a risk-area basis, for example, that will not be in a claim position when they've increased to 80 percent, and their coverage will not drop from 80 to 70 if they were not in a claim position.

Everybody's coverage moves up to 80 percent, but in order to collect, your production has to fall below the 80 percent level. So that's where the words, "it's on an individual farmer basis," because it's the individual farmers who, in fact, will collect only if they are in a claim position. It's not paid out - I guess what I'm trying to say - it's not paid out in the same way as the Feed Security Program is paid out.

MR. G. FINDLAY: I guess further to this press release relating to the 70 and 80 percent, I will read: "The increase," Uruski said, "is designed so that the province can avoid making emergency payments similar to those made during the drought in 1984 and '85."

I would like to know what emergency payments the province made relative to drought in 1984 and '85? What does he mean by that statement?

HON. B. URUSKI: Mr. Chairman, I'm not sure. We made payments in '84 on hay in terms of drought payments in the southwestern portion of the province under the Herd Retention Program, but I may have left the impression with the reporter that, in fact, in terms of additional requests for coverage, because there have been requests for payments - in fact, we paid in 1985, I think it was, for flooding in the northeastern part of the province, the Interlake and Eastman Regions, or maybe it was '84 crop - anyway, in previous years, we did have an acreage payment for areas that were flooded and did not have benefits. Those payments would discontinue right on crop land in addition to the hay program.

Mr. Chairman, there was the hay program in '84 of \$3.9 million and about 1.75 in flood on crop land. I think it was paid out in 1985. Those programs would not be considered again.

MR. G. FINDLAY: Mr. Minister, were those payments made basis contracts, crop insurance contracts?

There's extreme confusion in what is said here, because I'm reading two paragraphs, one behind the other. You're talking about the all-risk program of increasing from 70 to 80 percent, and then you switch

right in and are talking about a hay program without saying this has anything to do with hay.

As I read it, and I know what you're saying, but as I read it, it implies there were emergency payments made to producers with all-risk programs irrespective of their level of support. There's extreme confusion if you read that word by word what is said in that press release.

HON. B. URUSKI: Mr. Chairman, there's no doubt that if one wants to take every word that is in a press statement, one can in fact read into it what he wants, and if I was confusing, it certainly wasn't my intention.

But, clearly, we made ad hoc payments for crops. Whether they had contracts or not was immaterial. What we were trying to do was get the message out that there would be no future payments unless there was crop insurance.

This program would enhance the Crop Insurance Program for areas that might be subjected to disasters for those producers to at least reconsider their position of not entering into a crop insurance contract.

We did, for my honourable friend's information, double pay disaster payments and feed security payments in a number of municipalities, and we tried to, on a test basis, put in the Feed Security Program in the southwest corner. In fact, we had a number of municipalities that in 1984 or '85 received double payments. They received money under the Feed Security Program and they received funding from the Herd Retention Program in '84. In '85, because of the change in criteria and the restrictiveness of that program, we attempted to move away from that program totally and institute the Feed Security Program.

So while there may not be any direct connection, one to the other, in terms of what this program means, both ad hoc programs, as a result, have been done away with. I think that's the point I was trying to make. It covers whether it's hay or crops.

This program doesn't cover both, but it gets at the same question. The Feed Security got at the question of ad hoc hay payments and herd retention. This program got at the question of ad hoc payments on grain losses.

MR. G. FINDLAY: The reason I bring this up, Mr. Minister, is because in our discussion in the House last Thursday, you clearly indicated that all your decisions are made on a political basis, and the way this is written, I read that into it very clearly.

The premium money paid, Mr. Minister, is paid by the producers and the Federal Government. Not one dollar of premium comes from the Provincial Government. Yet the press release is written that the Provincial Government - I will read the headline - "Province to increase farm disaster aid."

The province isn't putting any money into increasing disaster aid. It's the producers' premiums and the Federal Government's premium that is used to offset the losses at the farm level.

I think, to be totally honest and fair, and keeping information above board and straightforward, you should be giving credit where credit is due and not taking credit for what the producers and the Federal Government are paying for.

HON. B. URUSKI: Mr. Chairman, in the bulletin that goes to farmers, every farmer is well aware that the program is both a Canada-Manitoba crop insurance program. That is always there in the brochures that go out.

Mr. Chairman, the honourable member wants to say that the Federal Government . . . Well, Mr. Chairman, I didn't write the story. Mr. Chairman, let it be for the record that the Federal Government shares in the costs of premiums with the farmer on a 50-50 basis.

The Province of Manitoba pays all the administrative costs, legal costs and collections, and also shares in any future major losses because the province does establish a reinsurance portion of the fund and is, if there should be a huge disaster, called upon on a proportional basis. There is a formula, long-established formula, in which the province could financially contribute.

I think the province was called to contribute in 1980. As a result of the 1980 drought, the province was called upon to use some of those reinsurance fund monies in 1980. We've used those monies where the province guarantees the reinsurance fund every year since 1980.

MR. G. FINDLAY: In the year that we're going into, what will be the federal contribution and the provincial contribution to crop insurance?

HON. B. URUSKI: Mr. Chairman, the coming year, we're probably looking in the vicinity of a federal contribution of about between \$16 million and \$17 million, and the provincial share, in addition to that, would be \$4.4 million.

MR. G. FINDLAY: Mr. Chairman, as I understand it, the federal contribution, either the '85 crop or the '86 or the '87, somewhere in there, was in the vicinity of \$21 million to \$22 million. That represents matching premiums paid by the producers.

Why is it now down to \$16-\$17 million?

HON. B. URUSKI: Mr. Chairman, just on the example that I gave my honourable friend earlier, when the high dollar value goes from 150 down to 115, primarily, the dollar value for crop coverage will be the limiting factor.

MR. G. FINDLAY: Has there been any movement in number of contract holders increasing or decreasing in the all-risk program? Any reasonable change or movement of a number of contract holders in the last two or three years?

HON. B. URUSKI: Mr. Chairman, I'm advised by staff that the final numbers won't be in till the end of April, but as it is now, from sort of a year-to-year basis, there is no significant shift one way or the other.

MR. G. FINDLAY: What is the policy for a farmer to maintain or retain his all-risk coverage?

Sometimes a producer, looking at costs of putting a crop in, looks at maybe his crop insurance costs are \$4 an acre - \$3, \$4, \$5 - somewhere in that area - and he says, "I really can't afford it this year and the crop is only worth \$80 an acre, and maybe I really don't need the crop insurance coverage," and he may have six or seven crops on his contract.

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Does he have to have so many crops insured each year to maintain the contract and can he leave certain crops out of coverage? What is the procedure and regulation on that?

HON. B. URUSKI: I guess, in terms of the technical point that the member is raising - and it's fairly technical - as I understand it, the farmer can have a minimum of two crops listed, but he can only go one year with zero acres being insured before he has to actually - I'm advised - insure a crop. He can still have coverage for one year listing zero acres.

MR. G. FINDLAY: Okay, just to have this very clear then, if a producer has six crops on his contract and he's only going to grow three of them, say, he can then, by the end of April, wipe off his contract those acres of the crops he's going to grow and leave on there two crops he's going to grow no acres in, and that fulfills the requirement. Then next year, if he decides to take crop insurance, he can put those acres back on again. Is that what the Minister is saying?

HON. B. URUSKI: Mr. Chairman, he can do as the member suggests, but he has to report the actual seeded crops in his acreage report, and that will then determine what his actual coverage will be, based on his seeded report.

MR. G. FINDLAY: That's not really answering the question that I asked. Okay, let me use a specific example. I happen to have a contract in front of me.

There are seven crops listed on here, and on this contract, there's mustard and field peas, but this farmer's going to not produce those crops this year. Can he leave those two on the contract? And his seeded acreage report will list zero acreage under those two.

He's going to take off red spring wheat, oats, barley, and flax and wipe them off the contract by the end of April, but those are the crops he's going to sow, and he will put in a seeded acreage report showing only mustard and field peas and put zero acres. Therefore, he has zero premium to pay for 1987.

HON. B. URUSKI: Ostensibly, Mr. Chairman, using that example, if I understand it correctly, he would have a zero-acre contract for that year.

MR. G. FINDLAY: If a farmer chose to not report those acres of wheat and barley, but he still had them on his contract, is it the Corporation's practice - because he turns in a report that says zero and they question it - is it the Corporation's intention to go out and check to see if he did sow those acres, and if he did, then charge him a premium? Is that the procedure that's been used in the past?

HON. B. URUSKI: Mr. Chairman, yes, there have been instances where the Corporation has, in fact, declared the acreage of a farmer. There have been disputes, I should mention, where farmers claimed that they sowed X number of acres, and in fact, on measurement, it was a completely different amount of acres. Of course, the farmer said, "Well, I then want to cancel my contract." Of course, once you're passed your deadline,

you're liable for the coverage and for the premiums based on the measured acres, not necessarily on the declared areas.

MR. G. FINDLAY: Has this been a problem very often or has it happened very often, or why does it happen? - I guess would be the next question.

HON. B. URUSKI: I'm advised by staff that there would be several a year. I have, in my time, probably had two or three reach my desk in terms of this kind of a situation, but that's about the extent that I've been involved in this issue.

My staff tell me that there is more than one or two a year. There are several.

MR. G. FINDLAY: I guess what I'm trying to get at here, Mr. Minister, there seems to be a bit of confusion out there when it comes to the end of May or June when a person is filling out the seeded acreage report and he suddenly makes a decision then. I guess I would ask that a clear statement on this go out in a newsletter.

It's obviously too late for this year because a person needs to know before the end of April, because that's when he's got to make that decision. But I've had a farmer say to me, "Oh well, you just don't report the acres and you don't have to pay on it." Then I say, "I don't think that's the way it works." And obviously it is not the way it works.

HON. B. URUSKI: Mr. Chairman, we do get into the debate on some of the programs that we have and this is one that, from time to time, there is a debate; but when you look at the numbers of insurers and the few problem cases that you have, I think you basically have to stick with the process that you've had for a number of years.

Where, I think, we have to do more work on as a Corporation, and we're moving in that whole area, is attempting to simplify our procedures and our contract, making it more understandable in layman's terms. I've asked the Corporation and they've begun that process over the last number of years to try and simplify our processes as best we can to make them more understandable.

That's not to say that there still won't be problems and people making mistakes and the like, but that is our goal and we will continue to pursue that.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Yes, has there been any changes in the vegetable insurance coverage this year?

A MEMBER: You mean you're not a client yet?

MR. E. CONNERY: I would like to do business with the Crop Insurance Corporation, but not under the present structure.

Have they changed any of the criteria?

HON. B. URUSKI: Mr. Chairman, I am surprised that the Honourable Member for Portage would not be a client of the Corporation. Mr. Chairman, we have about 30 percent of the vegetable growers, or thereabouts,

insured with the Corporation, so I guess he's one of the resisters in the program.

But, Mr. Chairman, there have been some changes made. We have now this year brought in separate premium rates for each crop. We are moving to individual coverage.

Mr. Chairman, in terms of hail coverage, if there's less than 3 percent damage, there is no loss considered.

Those are some of the changes that we've had in the vegetable area.

MR. E. CONNERY: Last year there were four crops that were insured. Are there any changes to those four crops?

HON. B. URUSKI: Mr. Chairman, those same four crops are being insured, and this year we're moving those growers who are insured, by having the measurements taken last year of those crops, we're now moving those growers onto individual coverage.

MR. E. CONNERY: Last year, if you grew all four crops, if you wanted to insure one, you had to insure all four. If you grew two of them, you had to insure two. You couldn't insure one individual crop. Is there a change in that process for this year?

HON. B. URUSKI: Mr. Chairman, it is really a problem with numbers. If you have one grower growing one crop, I venture to say that the pool is too small, and how do you build up an insurance pool on one crop if one wants to separate?

As a result, we took the vegetable industry because of the very expensive nature of the industry, because it's very intensive but yet small in terms of numbers and area, and so we are still pooling all the crops.

Mr. Chairman, I venture to say, if we got the majority of producers insured under this program, that we, in fact, would possibly have a large enough pool that we would be able to start separating the crops out.

MR. E. CONNERY: Well, with some luck, Mr. Chairman, I did hear the answer only because I was lucky. It's pretty noisy in here and I'd settle this crowd down if I were the chairman.

MR. CHAIRMAN: Order please, order.

MR. E. CONNERY: Yes, we do elect other chairmen, Mr. Chairman, so I think one should be rather concerned.

I think it's relatively unfair though, Mr. Minister, when a person grows only one crop at the fore and it's the one that is maybe at risk, if somebody else grows two or three or four of the commodities, you say he has to insure them all. So there is, to me, some unfairness in the system.

We talked about it last year and I think the Minister is aware of that and I think the Minister should address that concern.

HON. B. URUSKI: Mr. Chairman, the member should be aware that we do have separate rates now for the various crops although we pooled them. We raised this question because we have to negotiate every aspect

of the program and we really cannot make unilateral changes in this program at all. They have to be negotiated step by step with Ottawa.

Ottawa certainly wouldn't accept the proposition that the honourable member raises, and although I believe that it may be a concern, I would suggest that possibly I can convince him to become a contract holder under the program and encourage other producers there to build up the pool and then we can start putting this whole question that he makes a point of more into reality when we would have the bulk of the industry insured.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNESS: Mr. Chairman, I rise at this time to, in a sense, grieve on behalf of a couple of my constituents with respect to the feed security program and maybe declare a little bit of self-interest, too, and a conflict of interest.

Mr. Chairman, I was just sitting here and it sort of came to my attention that possibly the Minister's new program is the cause for the price of feed, of hay, dropping to such a significantly low level. - (Interjection) - Well, that appeared to be the commentary I heard, Mr. Chairman.

I just wanted the Minister of Agriculture to know that if that's the case, that after having put my two teenage sons to work in putting up hay, that those bales are still sitting there and they're doing nothing. So I wanted to put on the record that if he's responsible, at least I'll know who to blame in the eyes of my two teenage sons, who I was proud to finally have do some labourious work.

Mr. Chairman, I wanted to ask the Minister: specifically, now that the April 30 deadline is drawing nearer - and I know there is a January deadline whereby probably new contract holders had to declare their intentions - can the Minister tell me if there is a new uptake in policies under the all-risk program?

Is there a higher percentage of Manitoba farmers that are now taking out crop insurance, given the very tough economic times that they find themselves in going into the 1987 planting season?

HON. B. URUSKI: Mr. Chairman, the major upturn in terms of the coverage of crops insured occurred when we moved the coverage level up to 70 percent. That was when there was a major surge in terms of dollar value. There is still an increase in the number of crops insured.

We expected, quite frankly, that there would be a reverse trend because of the lower dollar values; that farmers, in fact, might be pulling out of the program saying, "Look, it's almost of little use to me because it's coming so close to my cost of production it doesn't even cover it, that I may as well just take my chances." That was our concern.

But that has not occurred and, in fact, there is still a slight increase in the numbers of crops being covered, but it certainly is no major surge because we, quite frankly, anticipated the reverse to what the honourable member is alluding to.

MR. C. MANNESS: I wonder if the Minister could be more specific, Mr. Chairman, and tell me what percent of the farmers of Manitoba carry crop insurance.

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HON. B. URUSKI: Well, Mr. Chairman, if we used an estimate figure of, say, 25,000 farmers in Manitoba, we would be roughly at 50 percent of the farmers and about 50 percent of the acres.

MR. C. MANNESS: Well, Mr. Chairman, I then ask - 50 percent of the acres; I'm trying to mull these numbers over in my mind - can the Minister tell me what percent then of the people who are not taking crop insurance, can he tell me whether 10 percent of them have, let's say, significant acres?

What I'm trying to determine, Mr. Chairman, is some breakout as to whether the larger farmers are ignoring crop insurance or the smaller farmers, the mid-size? Can the Minister help me somewhat with a profile of who uses this?

Secondly, I'm trying to determine whether or not his figure of 25,000, how that balances with let's say the total number of permit holders within the province - permit book holders or the Canadian Wheat Board permit book holders?

HON. B. URUSKI: Mr. Chairman, I may have gotten up too quickly and given the member the statistic of 25,000. In terms of what the Corporation uses, they talk about 21,000-22,000 farmers in terms of having their crops insured and that would be about 60 percent of the farmers on their statistics that they use with about 50 percent of the acres.

But there is no correlation between whether it's large or small farmers who are holding on because, as we had a discussion just earlier, some farmers will insure some crops and not insure others. So that it's very hard to determine what a farmer's mix of coverage might be on any individual farm. He may want to insure just one or two crops and leave the rest idle and not cover them, and some may want to ensure the totality of their crops. But to try and determine whether there is a pattern, as the honourable member is trying to get at, I don't think we can give him that kind of analysis or that kind of prognosis to better reflect what is the mix.

MR. C. MANNESS: Mr. Chairman, is there any double counting done at all and I'm specifically referring to farms where two brothers may have a contract together on land that they farm together and, in another case, where one of those may have a contract in a corporate name which he and his wife may be sole owners. I'm wondering if there is any double counting in that respect.

HON. B. URUSKI: Mr. Chairman, I don't know. There very well may be and, when the member used the question of permit book holders, there could be two permit books on the same parcel of land. If, in fact, you're a shareholder and you're sharecropping - (Interjection)- okay. Yes, you could have two parties on one book.

So, Mr. Chairman, I'll ask the staff to see whether or not there may be some double counting in terms of statistics, but I would venture to say that we could probably debate that for any length of time and I'm not sure that we could resolve it totally.

MR. C. MANNESS: Mr. Chairman, I'm not going to pursue this in any great detail. My reason for bringing

it in the first instance was to try and determine what the total actual number of farmers are within this province because, of course, there can be as many different totals as there are organizations or groups that want to use them.

I also serve notice to the Minister of Agriculture, in the presence of the Minister of Finance, that they made some special claims that they were helping a lot of people within the educational tax area and we were wanting to find out additional information as to whether their claim that there are over 25,000 farmers supported by any other - over 30,000 farmers using the Minister of Agriculture's words - government activities. So let the record show that we have some concerns within this area and we'll be drawing them in due course to the Minister of Finance.

HON. B. URUSKI: Mr. Chairman, I think the honourable member should be aware that there is in excess of 30,000 people who file farm income tax returns. So, depending, Mr. Chairman, on for what purposes you want to use those numbers, but let me tell him that there is in excess of 30,000 farm tax returns filed in Manitoba as of, I believe - 1985 will be the last year.

MR. C. MANNESS: Mr. Chairman, that begs another question. Of course, various groups have different criteria, and I don't expect the Minister of Agriculture to know, but could he have crop insurance officials lay before the House, in time the criteria they use to establish their global figure of the farmers in Manitoba, that being roughly 20,000 using the Minister of Agriculture's own words?

HON. B. URUSKI: Mr. Chairman, let me advise my honourable friend that crop insurance does not establish any global figures, the number of farmers. They have contract holders on which they sell insurance and we gave the honourable member the number of contract holders. When he talked about acres insured, we couldn't deal with that question because some farmers, as I explained much earlier, insure part of the acreages that they farm and some insure all of them. So, Mr. Chairman, crop insurance is not in the business of actually providing statistical information on the basis of the numbers of farmers in the province.

We can provide, on the basis of contract, make an estimate as to the amount of land that there is, but to try and correlate it to the actual numbers of farmers and then correlate it, for example, to the returns that are filed through the Income Tax Act, Mr. Chairman, that will be, I'm sure a matter of debate in this House for some time to come.

MR. C. MANNESS: Mr. Chairman, the Minister tries to confuse the issue. I understand fully his argument with respect to acres. Mr. Chairman, I'm a contract holder. I know that some years I cover all my acres and other years I don't. I understand his argument there. That would be a difficult process.

Mr. Chairman, I asked him earlier on specifically the total number of farmers within the province that crop insurance felt that they would use to determine the percent of people they cover. The Minister used 25,000 originally. He then withdrew that. He altered the number

to roughly over 20,000. That's on the record, Mr. Chairman. I ask him now whether he can tell us and lay before us the criteria used by crop insurance to allow them to make the suggestion or to make the hard fact, Mr. Chairman, as the Minister has done on the record, that there are 20,000 farmers in Manitoba.

HON. B. URUSKI: Mr. Chairman, clearly there are more than that. Mr. Chairman, I used the figures of contract holders and our description that there may be, with our contracts we just had under 14,000 contract holders in the Corporation and, on that basis, we estimated and guesstimated that we would have 50 percent of the land. Mr. Chairman, when we talked about the Corporation had over 14,700 Manitoba farmers insure their crops and, from our best guesstimate, approximately 55 percent of the total acres are insured.

So, Mr. Chairman, one can in fact make that distinction, but one also has to remember that there are a large number of farmers who in fact do not produce crops and are on forage and on other farming operations. You have intensive livestock operations that may not have any crop attached to them. You have your cattle industry that may not have any crop - (Interjection)- pardon me? Yes, that's what I'm saying. I have admitted the numbers will be debatable for a long time in this House as to what is the actual number.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I'd like to follow up briefly.

I would suggest that the Minister should read some of his reports and do a little bit of homework before he comes into this House to do his Estimates. Mr. Chairman, it's in the front page of the Annual Report that he has 14,723 contract holders in crop insurance, that he's got acres insured of 5,641,003.

Mr. Chairman, my suggestion is that the crop acreage in Manitoba, or the cropping acreage in Manitoba - and I'm just going from the top of my head, from memory - that's a third of the acres that are cultivated in the Province of Manitoba, in fact, maybe closer to one-quarter. If I can recall some of the former reports from the Crop Insurance Corporation that they used to vote that in the \$14,000 range they had 75 or 80 percent of the farmers under Manitoba Crop Insurance. - (Interjection)- I'm sincere. - (Interjection)- No, Mr. Chairman, I think that one can go to a crop insurance report of not too many years ago and pick those figures right out, that in fact we're probably dealing with, in their estimation, less than 20,000 farmers. The figure is quite liberal that he's talking about.

Those numbers should be available to the Minister and I'm not going to get into a debate whether or not, who they qualify. I think they used eligible contract holders, is the term it used to be, those people who were eligible contract holders is the terminology that we used, and they do have a formula to determine who the eligible contract holders are.

I would like to know, particularly this year, Mr. Chairman, because in fact with the massive drop in values that they've put on the grain that they're insuring, I think we've seen, or would like to know if we've seen a reduction in those people carrying crop insurance,

because I know, though a lot of people have talked to me, and even though the premiums have gone down somewhat, the coverage - and he may have covered this ground - has gone down considerably, to the point which a lot of people who were long-term participants in crop insurance, said they were going to opt out.

I believe that they had to give notification by the end of January, was it not, to whether or not they'd participate in the . . . I'm not sure they had the opportunity to opt out before they knew what the price drop would be, but there are some discrepancies in numbers here, Mr. Chairman. I think my colleague from Morris is on a pretty good path of trying to flush out whether or not the Minister of Agriculture is telling the full story when it comes to the numbers of farmers because his Minister of Finance, and for their political purposes, make a big story about the numbers of people that are going to benefit and the number of farmers that are going to benefit under the education tax relief. Yet it's a totally different story when we come to crop insurance and try to find out how many farmers there are for the purposes of crop insurance. The terminology that I used was "eligible farmers," those eligible farmers for crop insurance.

The Minister can't play games with us, Mr. Chairman. That's what he's trying to do. The Minister's playing games with the numbers. It states very clearly there are 14,723 contract holders. What we want to know, and I'll go back to some old reports to find out what percentage this is of those that they considerable eligible. I may be wrong, but I know that it's been a long time since there's been 60 percent, 65 percent. I think it would be fair to say that it's been hovering in the 70-some percent range, if not close to 80 percent over the past few years.

Now if the Minister gets up and shoots me down on that, that's fine, but those are the numbers that we want to find out. What base are they using as numbers of farmers, for crop insurance? The Minister of Industry, Trade and Technology says, go out there and count them. Well, at least I could. That's one advantage that I have over him.

Mr. Chairman, there's another area of concern and we'll pursue this later on when we get back into it, but there's an area of concern that I want the Minister to check out because it will take him awhile to find out the information. That is, we've seen horrendous losses in the reinsurance, the use of funds from Public Insurance Corporation by the Public Insurance Corporation.

There's a recent letter gone out by the Crop Insurance Corporation indicating that there is a reserve fund that Manitoba Crop Insurance has. There is money put away, handled by the Department of Finance - (Interjection)- No, I'm not into Autopac, that there is a reserve fund and it's handled by the Department of Finance. What I want to know, Mr. Chairman . . . Oh, the Minister of Agriculture is coming on, he's waving me on. I want to know, Mr. Chairman, are crop insurance funds used in the same manner that we use in other ways that this government has had available to them for other funds that they have? That's the question and I think it's fair. I think the taxpayers of the province should know whether or not the funds that are in reserve for the use of farmers and the backup of crop insurance are in fact there. Have they been used? What other

purposes have they been used for within the Department of Finance? Are we reinsuring the disasters of the world or are we keeping that money in a position that is not at risk? Where is the money?

I know the Federal Government have some of it available and there's some goes in there. In fact, I'll just quote a paragraph: "For every dollar paid in premiums, including the Federal Government's share, 15 cents, goes into a Manitoba reinsurance account, and 15 cents goes into a Canada reinsurance account in respect of Manitoba. The remaining 70 cents goes into a crop insurance reserve account."

I would like to know, and the Minister of Agriculture says, in his pocket. I think that we know the Minister well enough that he would say it in jest. I'm not so sure about the person sitting behind him, Mr. Chairman, the Minister who squandered \$28 million of taxpayers' money in Saudi Arabia. He hasn't been able to cleanse his soul in this Legislature.

I'm serious, Mr. Chairman. I would like to know, and I know that there aren't any great surpluses built up, but there is in fact, at times, a surplus builds up into that program. What does the government use the money for and are we tied into some reinsurance program in other jurisdictions with this money?

I know that it's almost five o'clock, Mr. Chairman. Have I got leave, Mr. Chairman? But there are some questions and I want the Minister to bring forward what that money's used for. I'd also like to get back, when he gets back into Estimates again, how many farmers are eligible for crop insurance. The Crop Insurance Corporation have those numbers. He doesn't have to say 22,000, 20,000. He knows how many eligible farmers there are to be insured under crop insurance.

Now he's saying, yes, he thinks he can find it. Well, he was shooting all over the waterfront here before. We would like to know.

Mr. Chairman, are you waiting for me to quit or are you waiting for the clock to get to five o'clock?

MR. CHAIRMAN: I'm trying to be polite.

MR. J. DOWNEY: Oh, you're trying to be polite, because you see I'm waiting for you to carry out your responsibilities as Chairman, and if you don't, Sir, we'll have to look at my friend, Chairman Charlie here, to go in and do the job properly.

Thank you.

MR. CHAIRMAN: The hour being 5:00 p.m., it is time for Private Members' Hour.

Committee rise.

Call in the Speaker.

IN SESSION

The Chairman reported upon the Committee's deliberations to Madam Speaker and requested leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Honourable Member for Thompson, that the report of the committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' BUSINESS

MADAM SPEAKER: The Honourable Member for Turtle Mountain on a point of order.

MR. D. ROCAN: No, I was going to speak on the resolution.

PROPOSED RESOLUTIONS

RES. NO. 7 - PORT OF CHURCHILL

MADAM SPEAKER: On the proposed resolution of the Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Madam Speaker.

I move, seconded by the Member for Kildonan that WHEREAS the winter closure of the Port of Churchill is inconsistent with the Government of Canada's purported commitment to upgrade the port and to maintain a prominent northern presence; and

WHEREAS the Port of Churchill realized a profit of \$300,000 for the 1986 season while other ports continue to lose money; and

WHEREAS the season at the Port of Churchill has been economically extended at the end of the current season by two weeks and can be extended another three weeks with no additional expenditures; and

WHEREAS Manitoba actions have led to insurance rates for vessels trading into the Port of Churchill being substantially reduced, including the provision of an ice-free "window" from August 15 to October 15; and

WHEREAS in the 1986 season, the Northern Transportation Company Ltd. transported a record 30,000 tonnes in supplying the Keewatin district; and

WHEREAS discussions have been held between Manitoba and Northwest Territories officials pursuant to expanding resupply operations from Churchill; and

WHEREAS a Churchill facilities report prepared by Manitoba Transportation has been forwarded to a broad range of interested parties informing them of the beneficial changes in marine insurance and the facilities Churchill offers; and

WHEREAS Manitoba has undertaken to construct a hydro-electric line from Gillam to Churchill that will lower energy costs and in turn generate increased employment levels; and

WHEREAS the berth at the port has been dredged to accommodate larger vessels frequenting the port; and

WHEREAS a large tug has been constructed in Manitoba to fulfill the berthing requirements of larger vessels at the Port of Churchill; and

WHEREAS geotechnical work on the railway roadbed continues in an effort to determine the most economical way of stabilizing the line; and

WHEREAS a series of five studies, as commissioned by the Federal and Manitoba Governments and released in 1986, have concluded that Churchill's potential for future development is positive and reaffirms Manitoba's continued endorsement of the port; and

WHEREAS Manitoba has encouraged the design, constructing and testing of a prototype grain car for

use on light density lines (a state indicative of the Churchill line) and the subsequent economic analysis have proved positive; and

WHEREAS the Irwin Beinhaker and Associates Studies recommend immediate production of the prototype grain car, subject to a positive economic analysis; and

WHEREAS the majority of the participants at the Manitoba Transport Institute and the Transportation Industry Development Advisory Committee symposium of February 19, 1986 on Churchill support the major findings of the Irwin Beinhaker & Associates studies; and

WHEREAS the studies commissioned have recommended that a commitment from the Canadian Wheat Board to maintain a viable throughput of grain be secured; and

WHEREAS the Sydney Harbour Ports Regional Development Board has proposed a substantial increase in throughput at Churchill by utilizing the grain terminal at Sydney, Nova Scotia as a storage facility for grain shuttled from Churchill.

THEREFORE BE IT RESOLVED that this Legislative Assembly of Manitoba request the Government of Canada to reverse, for the future, its decision to close the Port of Churchill's elevator and other facilities for five months; and

BE IT FURTHER RESOLVED that this Assembly recommend to the Government of Canada that Churchill be further developed as a northern resupply centre; and

BE IT FURTHER RESOLVED that this Assembly urge the Canadian National Railways to live up to its commitment to supply a sufficient number of railcars to move a minimum of 750,000 tonnes, thereby ensuring the continued economic viability of Churchill in the future; and

BE IT FURTHER RESOLVED that the Canadian Wheat Board be requested to ensure the sale of a minimum of 750,000 tonnes of grain through Churchill in 1987; and

BE IT FURTHER RESOLVED that the Governments of Canada and Manitoba be urged to use the five 1986 studies as a blueprint of actions to ensure the Port of Churchill be developed to its full potential; and

BE IT FURTHER RESOLVED that the Government of Canada be urged to explore further, and give serious consideration to the proposal by the Sydney Harbour Ports Regional Development Board; and

BE IT FURTHER RESOLVED that the Clerk of this Assembly be directed to send a copy of this Resolution to the Federal Minister of Transport.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Madam Speaker.

I'm pleased to introduce for consideration in this Session of the Legislature, once again, a resolution on the Port of Churchill. Those members who will know me from previous years, in terms of private members' hour, will know that I have introduced a number of resolutions on the port. It's because of, I guess, my

own personal interest in the development of the port, an interest I take quite seriously both as a member of the Port Churchill Development Board and as a member of this Legislature. And I really feel it's important that we, in this Legislature debate the situation at the Port of Churchill because I very much view it as being Manitoba's port, and it's future as being very important to the future of this Province.

In keeping with that, I hope members will bear with me as I go through some of the important issues I feel are facing the port and, in fact, I would note that I did outline a number of them in the resolution. I note from comments that have been made that people felt it was quite a comprehensive resolution. That certainly was my intent because I think what is happening at the port is that there are a variety of issues that have to be dealt with, some of which are I think fairly encouraging. There have been a number of significant developments in recent years but at the same time, as is always the case unfortunately with the Port of Churchill, there seem to be increased pressures from those who do not see the port as having value. I think their views are mistaken, Madam Speaker, and I intend to deal with some of them today.

As I said, I think it's important that we look at the situation at the Port of Churchill. I think if one looks at, as I said, it's very much Manitoba's port and I suppose in many ways, Western Canada's port, because the catchman area, for the Port of Churchill includes areas of all three prairie Provinces. In fact, I would note for members interested the Port of Churchill Development Board, of which I'm a member, includes representatives from all three Prairie Provinces and I think speaks for the traditional importance of the Port of Churchill.

It's had a long history in terms of its importance, particularly to farmers, and as members of this House will probably be aware, since the opening in 1929 of the port it has, quite regularly, shipped grain to a number of areas in the world, particularly to Europe. The unfortunate part, I guess of the port's development is that when one compares the initial emphasis on the port that took place in the late 19th Century, and the efforts that were made through the establishment of the Canadian Northern Railroad, the tremendous efforts that were made in constructing the line, the cost, the terrible cost in human lives, and just a terrible financial cost that took place in its development. I think it's unfortunate that once it was opened in 1931 that it was, by and large, ignored by the Federal Governments, by the railroad companies, by grain companies and far too many groups and organizations that should have been, I think, paying far greater attention to its potential.

In recent years though there have been some encouraging developments for the port. I think the most encouraging development was the signing in 1984 of the Canada-Manitoba Subsidiary Agreement on Transportation, that included a number of provisions related to the upgrading of the port, the upgrading of the line, the construction of a hydro line to the port. The construction of rail cars and research into the future of the port. I think that was a very significant agreement because with it there was the backup of Federal and Provincial financial support.

We've also seen some other interesting developments for the port, Madam Speaker, including, thanks very

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much, the initiative of the Minister of Transportation, the lowering of the marine insurance rates. In fact, I would congratulate the Minister on what's a very significant development for the port. The previous insurance situation was that insurance provided at the rate of 30 to 50 percent of the annual insurance rates during the ice-free season, thanks to the initiative of the Minister and his Department that rate has been decreased to 15 percent. I think a very encouraging development for the port.

A particular significance this past year, Madam Speaker, was the release of a number of independent studies which show the value of the Port of Churchill. In fact four studies that were conducted by the IBI Group of Consultants clearly, I think, pointed to just how much potential the Port of Churchill has. The Grain Shipping Cost study which was part of the IBI Group's four-volume report concluded that, in terms of grain exports, the Port of Churchill would be economically viable at the rate of a minimum of 600,000 tonnes per year. This, of course, assumes that the line-related costs for the Churchill line are not borne solely by the grain shippers. In fact, it's interesting to note in that regard, Madam Speaker, when one looks at that figure that this past year, 590,000 tonnes were shipped through the port.

The study also recommended that CN's economic analysis of the new articulated hopper cars be reviewed carefully and that if the analysis is positive we should push ahead to have production commence immediately on the articulated hopper cars.

I would also point, briefly, to a couple of other interesting findings in the study, including the fact that the study did support the fact that the extension of the season of the Port of Churchill was an attainable goal; the fact that it concludes that the resupply operations found that an expanded resupply role for the Port of Churchill, Madam Speaker, in terms of both marine and air resupply of Arctic communities, is both economically viable and could lead to a doubling of the annual resupply shipments through the Port of Churchill.

The additional commodities study, which is once again part of that IBI Group Report, found that although grain was found to be the most economical commodity to be shipped through the port at the present time, that additional commodities could be justified at some time in the future. I think, given the fact that in the past additional commodities have been shipped through the port, including liquor and sulphur during the 1970's, that we should continue to look at the potential feasibility of the port in the future in this regard.

Finally, a tourism study, which I think is something that is important when we look at the situation in Churchill, found that new services in an organized marketing plan that were recommended by the study could lead to an increase in the number of visitors to Churchill by 32 percent by 1990 and about 54 percent by 1995. If anyone is aware of the tremendous increase that tourism in Churchill has taken place over the last number of years, I think they will realize how significant those figures are. So the IBI Group study has found that there is potential at the port.

What I'd like to do is just look at where the port stands today. I mentioned briefly, in the remarks related to the IBI Group Report, the fact that 590,000 tonnes

of grain were shipped through the port in 1986. I want to emphasize that fact, Madam Speaker, because that was an increase of close to 65 percent over the amount shipped in 1985. It allowed the port to realize a profit of \$300,000.00. I think if one looks at those figures, one can see quite clearly that with additional supplies being shipped, supplies of grain being shipped through the port, that we could look at continued improvement in the profit picture at the Port of Churchill.

I would also note, in terms of the 1986 season, Madam Speaker, that the resupply efforts involved 30,000 tonnes of goods - 30,000 tonnes - quite a significant increase over previous years and certainly an indication of the importance of the role of the port in regard to resupply. Those are, I think, pretty encouraging results - the report from the IBI Group, the report at the last year's season at the Port of Churchill.

But as I've reported in previous resolutions, there are unfortunately some difficult situations that the port is faced with. In particular, I am concerned about the continuing question as to the extent of the federal commitment to the port. I would note in this regard the fact that the Federal Government closed the port for five months this past winter; in fact, I noted that in the resolution. Fortunately, it appears that there were no initial long-term damages that were a result of that, although it's too early to indicate if that is totally the case, but I think the fact that the Federal Government was willing to risk those long-term damages and create the disruption in terms of the shutdown that it caused and the layoffs that resulted from it, I think is of particular concern when one looks at the question of federal commitment to the port.

There has been also, Madam Speaker, a continued disowning on the part of the Federal Government in regard to the installation of dust control equipment at the port. That is something that has been long needed.

There's also a considerable amount of concern that I have, and I know that the Port of Churchill Development Board has, about the CN's lack of commitment to adequate rolling stock. I would note, for example, in 1986, that the CN had to pull on CP's resources in terms of rolling stock to meet its commitments. In fact, during part of the 1986 season, there were times when there were 600-700 cars weekly available for the port, a figure of only one-third of the port's capacity. So there was a real lack of commitment that was made by CN.

In terms of the future situation, Madam Speaker, I think that the figure such as the fact that 1,600 cars would be needed by the 1990's indicates that this problem could be an increasing problem over the next number of years. I would indicate that there has been a commitment to refurbish 950 box cars, but I really feel that that is really not much more than a stopgap measure, given the need that is going to be evident at the port in the next couple of years.

In fact, the concern I have about CN's position on the Port of Churchill goes beyond the simple allocation of rail cars. I would point to statements that have been made by CN officials, including the Associate Vice-President of CN, Douglas Campbell, in which they've indicated a clear bias against the Port of Churchill. I would hope that we could see some leadership from the Federal Government in making sure that the CN does live up to its commitments and does not either

explicitly or implicitly have a policy which is opposed to the Port of Churchill.

And, of course, over the last year, I think we've seen the continued succession of statements made by the vested interests. I note, for example, statements made by Otto Lang on behalf of his grain company opposing the Port of Churchill. I think, if anybody is aware of the history of the port, that should come as no surprise because right from the beginning, right from the 19th century when farmers first started fighting for the Port of Churchill, it's been a fight as much against the vested interests as it has been against any of the physical or financial conditions facing the port.

I think that's essentially the problem we're faced with, Madam Speaker, as we look at the situation facing the port today. We've seen clearly that the port can be profitable. We saw that in 1986 when there was a \$300,000 profit. There are many figures that are available that indicate clearly that it can be cost effective to ship grain through the Port of Churchill.

I would note in this regard a cost comparison that was developed comparing Churchill and St. Lawrence by the Transportation Subagreements Branch in 1986, which found that the bottom-line figure for shipment through the Port of Churchill, when one includes the elevator cost, rail cost, terminal costs, the lake freight, St. Lawrence and ocean freight charges, that in the Port of Churchill's case you're talking about a bottom line of \$62.40 as compared to the St. Lawrence of \$83.46. So, clearly, the figures show the advantages of the Port of Churchill.

Study after study has showed that there were additional advantages in having the Port of Churchill a fully functioning port. For example, provisions can be made to ship grain through the port in cases of emergency, in cases where other ports and other shipping methods are closed down. Many reports have pointed to the advantages of having the Port of Churchill in a competitive position and the advantages that can give to farmers and producers in terms of cost advantages.

I've mentioned the resupply role of the port. I would reiterate that.

I would also point to its importance in terms of sovereignty. The Port of Churchill is the only Arctic port that we have in Canada. In fact, I quote directly from the Port of Churchill Summary Report that was developed by the IBI Group, which points clearly to the fact that Churchill is Canada's only deep-water Arctic port with a rail connection to the south. As such, it is a unique asset in the context of national objectives such as defence, sovereignty and northern economic development.

For those reasons, Madam Speaker, I'm hoping that all members of this Legislature will support this resolution. I think, by supporting it, they will be stating that they believe in the importance of the Port of Churchill to this province and to Western Canada and they're willing to send that message to the Federal Government, to CN, to the vested interests, and that is the fact that we're going to fight for the development of the Port of Churchill.

In essence, I think what we really need in Canada, once again, is a vision of northern development, and I see the Port of Churchill very much as having a vital role to play in that regard. I think we've seen over the

last decade or two decades how we've let our visions slip, how we in many cases have run into problems in regard to sovereignty in the Arctic and our northern areas, and how we've run into problems in terms of economic development. Right here in Northern Manitoba there are many economic development needs that have been unmet. I think what is really needed is a vision of northern development in which the Port of Churchill will play a very significant role.

So I would urge all members of this Legislature to read through the resolution. I realize it's a fairly lengthy and detailed resolution, but I think it's the kind of resolution that we can all support, and by doing so, I think send a very clear message about the definite importance the Port of Churchill is to the Province of Manitoba.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Ste. Rose.

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

I rise to speak to this resolution. I can tell you that it's a little surprising, some of the arguments that came from the Member for Thompson. I'm very pleased to see that he is now accepting some of the arguments that have been coming from other political organizations in this country regarding the future value of the Port of Churchill, and I'm pleased to see that his attitude is now coming around to some of the other ideas or suggestions that have been put forward.

Madam Speaker, certainly there is no problem on this side of the House, except in the concept if the Port of Churchill has a future, and that the Port of Churchill has long needed to be supported in terms of the future opening up of the North and maintaining the sovereignty of North, on behalf of Canadian people. But I do object to some of the form of this resolution, Madam Speaker.

We see arguments being put forward that in fact the sole basis upon which many of the "WHEREASES" in the resolution point to the fact that the Federal Government has somehow and can be obviously the only culprit in the resolution in the future of the port. When we consider, however, the costs that are involved in the future of this port, I would like to lay before the Assembly a couple of concerns that I have and concerns that I think do not mean any more than the fact that we have to face the future of this port realistically.

Let us not bury our heads in the sand when we talk about the costs that are involved. If we are committed and if both sides of this House are committed to the future of this port, then let's realistically talk about all the costs that are involved, the cost to the Provincial Government, the cost to the Federal Government, the cost to the taxpayers of this country.

Let's be sure that the future that we put forward for this port is a future that we're all prepared to live with and support, because it seems to me that the resolution has rather skillfully alluded to reports that do not necessarily support the concept as wholeheartedly as some of the WHEREASES would say.

It also alludes to the costs which are not attributable to anybody, but we have to assume that those costs would be attributed to the central government. I refer to the one statement that the member made when he

talks about the efficiency of hauling the grain into Churchill as long as the cost of the line is not attributed to rail costs for transportation of the grain.

I think there's a little problem with those of us on this side of the House understanding the concern of the citizens of the port regarding the future, regarding their future, and regarding the future of the port, because certainly in rural Manitoba, we have long lived with the concern and the reality of the changing future of transportation. There have been a lot of changes that have come in rural Manitoba; there have been a lot of changes that have flowed from problems that have not been of our own making, problems that are involving all parts of the transportation system of this country.

I think we have to face square on the problems that the grains industry has to deal with and the problems that the port has to deal with as a result of those concerns. Because I think, first of all, it can be clearly stated that if we tie the hands of the Wheat Board to the fact that they must ship so many bushels of grain or so many tonnes through this port that the eventual consequences of that could be an actual cost to the grains industry of this country.

At the same time, if we can encourage sales through that port, if we can put forward the value of that port and get the position of our purchasers, so that they want to take grain through that port, then we will have a port that is operating with the future sales and the blessing of the agricultural community behind it. But let us not put the port or put the farmers of this province in a situation where they are saying this must be a lock-step situation.

I can frankly tell this Assembly that I've had people in my constituency and people in the constituency of Dauphin, where the Minister responsible for Highways is elected, but there are times when they wish that the Port of Churchill was not there, because when they are cleaning out the grain in June and July from their bins, knowing full well that many of the other farmers in other parts of the province have moved their grain at an earlier date, they're saying, my goodness, are we really getting an advantage from this port? But the fact is that the changing of the cash advance system in the Wheat Board has to some degree alleviated their concern, because they can at least achieve a cash flow through the cash advance system rather than having to be held back on their deliveries. So that is a system that has, in fact, improved the opportunities for the port. While I don't have figures to back this up, I would suggest that this may very well have something to do with the improved grain flow through the port this past year because the Wheat Board has been willing to move in that direction without damaging the delivery opportunities for the farmers.

We should not overlook the fact that the price savings that can be generated, however, can be totally wiped out if the port does not have other uses; if the port in fact is developed as a one-commodity port, that being grain. If Churchill is thought of only as a grain port for Northern Manitoba and Northern Saskatchewan, then I would say that there's a very poor case for most of us in this House to rise and say that we must maintain this port. I think that we have to talk about the rehabilitation costs of the line, and if we want that line, so that it is a viable line in terms of movement of grain,

what those real costs will be. Let's not hide that fact from the taxpayers of this province or from the taxpayers of Canada. Let's stand up for the Port of Churchill and say what really is needed up there and what those real costs will be, because there are other reasons why that port should be kept.

It's a port that has sovereignty, a position of importance for sovereignty in this country, but I'd suggest, Madam Speaker, that the very philosophy of the members opposite may be interfering with the future development of that port in terms of NATO. It is no secret to me that they are not interested in the future cooperation with NATO. Certainly the federal party has indicated their disregard for NATO; this federal NDP Party has shown that they have very little interest in Canada and NATO.- (Interjection)- Well, there we go, you see already the members are feeling uncomfortable.

Those bad American dollars, if they were possibly ever to sneak into the Port of Churchill other than under the guise of tourism, wouldn't be welcome. That's right.- (Interjection)- The Port of Churchill can be and will be, I believe, an integral part of the northern sovereignty issues that are such a great concern to the people in this country, many of whom are supporters of the NDP Federal Party, but who fail to realize that there's a fundamental disagreement there with the basic philosophies of this party.

Does this government have a hang-up about the cooperation with NATO? I'm not suggesting that Churchill should become an outpost for a missile silo; certainly that is not the case and it would never be needed. The Americans, if the argument wants to be posed there, it's totally irrational, but in terms of Northern sovereignty, NATO cooperation may very well lead to development of this port. If we do not want to cooperate with the NATO alliance, certainly the ability of the Federal Government to develop that port in terms of a future port of important strategic value to this country is greatly reduced.

Let's talk about the resupply possibilities of Churchill. I think that this is an area that should be expanded and certainly, if we are going to use the Port of Churchill as a resupply base, there has to be a recognition that a lot of that resupply might however come in offshore from the eastern seaboard and be brought around by that direction and, very certainly, there will be a cost to some aspects within Manitoba if we have that resupply coming in from that direction.

So the alternative is the rail line. Again, an enormous cost that we have to be prepared to deal with and, if we have the guts to stand up and say what the cost of that improvement of that rail line is, then I think we have truly stood up for the future of that port.

If Churchill is to become a service centre, Madam Speaker, for the northeastern area of our province, then let's deal with some of the other aspects that are important. Let's talk about the air links and the future air traffic that could be handled out of that port or that area, that town. It certainly wouldn't be abusing the port, but it's an alternative for the development of that community. If it's going to be a resupply centre, then that's part of its ability to resupply the North.

I tell you quite frankly, Madam Speaker, I have never visited the Port of Churchill.

SOME HONOURABLE MEMBERS: Oh, oh!

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MR. G. CUMMINGS: The Attorney-General laughs, that I have not visited the port after I have just spent 10 minutes saying why I think the Port of Churchill should be maintained and improved. So what's so funny about saying I have not physically visited the plant?

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. CUMMINGS: When we look at the future of this port and we look at the expenditure of the dollars that are involved, then we have to be prepared to stand up and explain to the public the reason that we are standing behind this development. The development of Northern Manitoba is as equally as important to a person who has not seen the tundra as the development of the economy of this province is of great importance to someone who has never gone beyond the concrete curtain around Winnipeg.

Madam Speaker, the future development of that area has a great deal of potential in the area of tourism. I think the Minister will no doubt touch on that when he has an opportunity to respond. That is in fact one direction where the future of Northern Manitoba has a great deal of potential. The people of this country, the people of the world, want to see the uniqueness of that area, as has already been exemplified by those who have travelled there now. But the rail service has been almost a detriment for those who would travel there on tourism, and that's an area that I think we need to expand upon.

I think that we have to be particularly careful that we don't negate the value of tourism, the value of the future of this port in terms of the sovereignty of Manitoba, and we don't want to negate the value of this area in terms of the future as a resupply centre.

To that end, Madam Speaker, it seems to me that while there are parts of this resolution that would be -(Interjection)- Well, the member says oh, oh. If you write a three-page resolution and find unanimity in this House, then you are smarter than most people give you credit for. When we talk about the volume of grain that could potentially be shipped through this port, let's remember that we're not going to get that volume of grain unless we deal with the fact that the boxcars that are presently part of our fleet will be finished in 15 years.

Madam Speaker, allow me one last sentence. To replace those boxcars that are becoming obsolete, there will be required an enormous input of funds to replace the obsolete and rapidly deteriorating boxcar fleet. Let's not forget it.

MADAM SPEAKER: The Honourable Minister of Highways and Transportation.

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

I am very encouraged by the remarks of the Member for Ste. Rose. Outside of a few of his remarks, just as he said, when you have a three-page resolution, you can't have unanimity in this House. Naturally, even in a 15-minute speech, you can't agree with someone who is being supportive entirely. But there are a number of points that I would like to deal with insofar as the points raised by the Member for Ste. Rose. However, in 15 minutes, it makes it very difficult to do that.

I want to say, first of all -(Interjection)- Well, he dealt with a number of issues that could take a great deal of time if they were dealt with properly and with some justice to them. First of all, Madam Speaker, again, this is a very important issue facing Manitoba. We have raised this consistently year after year in this House by a Private Members' resolution and through action of the government, and we have been somewhat successful over the last five or six years in making some progress towards a positive future for the Port of Churchill for Manitoba, for Western Canada, and for Canada as a whole.

However, there are many obstacles that we must continue to overcome with regard to the future of the port, largely, I believe, not because of the reality of the costs, but the political reality that we face in this country.

I notice the Member for Ste. Rose mentioned the true costs of Churchill and the port and the line and so on. I want to deal with those a little bit, but the fact is there are those true costs related to all ports, to all transportation infrastructure that's needed in this country to hold us together and to ensure that we are economically viable and that we can compete with other countries in the world. The fact is that when those major expenditures are undertaken to ensure that that infrastructure is there in a reliable way through other ports, the twinning through the Rockies, the work that needs to be done on the St. Lawrence Seaway and the massive expenditures that took place there, those costs are not immediately looked upon as having to be borne by the users of that system or even more specific by the grain producers who use that system.

So there lies the fallacy and there lies the difficulty that we have encountered, Madam Speaker, in that Manitobans and western Canadians have bought those kinds of eastern-oriented arguments, that suddenly a different set of rules should apply when we're dealing with Churchill. It's regional economic development that we're talking about. It is sovereignty; it is strategic reasons; it is as an outlet, as a complementary port to our other port system in Canada. It's all of those things, but it is not a cost in terms of the capital investments that have to be made that should be borne by or attributed to the grain producers of Western Canada. I don't think those arguments hold any water at all and I dismiss them very quickly when people raise those costs and say that somehow that makes that port inefficient. The fact is that's not done in other situations and it shouldn't be done uniquely for the Port of Churchill. That is a major point and we have to keep fighting that way of thinking.

I want to deal with a couple of major points here that haven't been dealt with because they are new pieces of information. The fact is cost does matter, not the infrastructure costs as being borne and attributed to those grain producers who benefit. Those costs are a very important cost to the total picture and the taxpayers of Canada, but they are not to be attributed to those producers who benefit from the use of the port and, therefore, all Canadians that benefit from that port.

I want to just point out, Madam Speaker, that yesterday I was at the Hudson Bay Route Association Annual Meeting in Lloydminster, Saskatchewan and Alberta. At that time, I had the opportunity to make a presentation to the annual meeting.

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I was again not very impressed with the presentation from Alberta. It seems obvious to me that there's a declining enthusiasm for the Port of Churchill in Alberta, and I think it's largely because of the money that has been spent on Prince Rupert and the alternatives they have there that Churchill now is of waning interest to them, and that is of concern to me, and it should be a concern to the members opposite.

In addition to that, Saskatchewan is supportive, and I've met with the Minister recently as well, Grant Hodgins, and we have pledged to work together on this; but it is a low-key support and I continue to try to get the provincial Minister in Saskatchewan and his government to be aggressive in their approach towards Churchill because we must do that in the years ahead, because we are facing formidable forces working against us at Churchill insofar as Churchill's future is concerned, I should say.

One of the major enemies of Churchill is the CN itself. It is outright hostile towards Churchill at this time, and it is doing that, I think quite independently of the Federal Government. It has taken it upon itself as a result of the mandate that has largely been given to them by the Federal Government that says that they must operate like a commercial venture rather than perhaps as a Crown corporation that has had social and economic responsibilities to the people of Canada. It is losing sight of the long-term goals and vision that were involved in the establishment of many of those corporations.

I hear the members opposite chortling away when I mention the fact that suddenly they are being told that they must operate as a commercial venture and with regard for the social and economic responsibilities that they have traditionally had. I don't think that's a funny matter because it does impact on the way that they are responding in terms of services and actions in Western Canada. It's going to hurt us a great deal unless there is some sanity, some reason, some compassion in Ottawa with regard to the direction and policy framework within which these corporations are going to work.

I don't expect CN to pick up additional costs for economic and social responsibilities themselves. They must, I believe, be subsidized for those responsibilities. But the Federal Government has to demonstrate that they are willing to do that, and that's where it breaks down at the present time, because they are being given a message that says you must operate as a commercial venture and at the same time they are being asked to undertake and preserve all kinds of services that do cost dollars that cannot be counted in the payback simply on the profits from that particular enterprise.

I, therefore, am very concerned about what that is doing. The CN has gotten very hostile openly towards Churchill. They have some serious concerns, but there are some very positive developments that have taken place and I want to just deal with that.

The EBA engineering consultants firm that has been doing the geotechnical work - they are based in Edmonton - they have been doing the geotechnical work, which is the permafrost research, to determine whether the line can be stabilized over what is commonly known as sinkholes in Northern Manitoba, over permafrost, discontinuous permafrost. They have found, as a result of their tests, and I had a recent presentation

on this, very positive results. They are pretty well certain that they can control this problem.

Of course, any technical problem can be solved by people, but of course it costs money. In doing so, they have identified that the extent of the sinkhole problem is much greater than what they had originally envisaged. They have identified some 2,100 transition zones. There are two transition zones, one on each side of a sinkhole, so therefore there are about 1,050 sinkholes that are involved as opposed to what they originally thought was 200 or 300. So there is a more extensive problem.

However, they have demonstrated clearly that they can stabilize these sinkholes by the use of heat pipes. They estimate at the present time, particularly north of Gillam, where the testing has taken place to this time, they estimate the cost at this time to be about \$50 million to do that - not \$200 million - \$50 million to stabilize. They are proposing to undertake a two-to three-kilometre stretch of continuous testing of sections of line so that there'll be continuous-line testing that would occur, and the proof in that particular test would be that they would be able to maintain a continuous length of line in a stable way over very complicated sinkhole structures.

We are now considering this. They estimate to do a couple of those sections, one north of Gillam and one south of Gillam. The research that would be required, the total cost would be about \$2.3 million. The Federal Minister and myself are considering this through some funding that might be available in the subagreements at the present time, and are hopeful - at least initial signs are quite positive from the Transport Minister's office - that they would be inclined to pursue the next set of testing. This will take two years. By that time, the agreement will be up at the end of 1989.

Therein lies my concern, of course, that there's going to need to be a major commitment of funds to stabilize the line. They are uncertain at this time - CN especially, of course, because they have been very negative in this whole area consistently - they are uncertain as to whether hopper cars could actually be used on those stabilized lines, but the engineering firm feels very positive, about 90 percent certain, that they can stabilize this line to the extent that would be necessary to utilize hopper cars, particularly the north section. The south section, between Gillam and Thompson, has somewhat warmer temperatures and more complex degradation of the permafrost structures there and therefore they need to do this test to determine whether it will work as well.

But the heat pipes technology has proved very positive and is very encouraging. I don't think the costs are prohibitive when we're talking \$50 million versus the enormous investments that are being made in other transportation infrastructures across this country. I think we have to keep that in perspective when we're considering sovereignty requirements as well as the importance of having that port there to serve at least grain producers in the Churchill catchment area and, as well, other possible opportunities in the future.

The other thing I wanted to just mention, that is briefly, in this resolution is the point about the Sydney Harbour Ports Development Corporation's proposal. That is a very exciting proposal. I think it holds enormous potential for the port in that they are proposing, as an economic development project, to have constructed

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major storage facilities at Sydney and shuttle grain from Churchill during the season, up to \$1.4 million tonnes of it, which is three times the current season and is within the capacity of the port.

I have had numerous letters from Mr. Bruce McDonald, who is the chairman of that committee, and he has also met with federal officials and with a number of federal agencies. He has indicated a very response to this. He's also met with shipping companies from the St. Lawrence who have a surplus of capacity in shipping at the present time, and they are reacting positively to this. So it would seem to me that if we can team up with the Atlantic Provinces, that politically that would be at least much more palatable for a Federal Government concerned about putting too much investment in Manitoba, and we don't have the political clout here.

Bruce McDonald, the chairman, wrote to me on January 26. In one of his letters, he said, "There seems to be unanimous agreement that the Churchill connection, utilizing Sydney as a trans-shipment terminal, has great merit." The recent IBI study indicates that with some modification it may be possible to put as much as \$1.4 million tonnes of grain through Churchill. Using our system, this could be handled on a basis which would allow the export and sale of the product on a bettered scheduled basis, having regard to type of product and destination. Expanded throughput would be possible using the shuttle service to Sydney.

The Wheat Board has reacted positively as well because they would have greater flexibility in selling grain that could be sold throughout the year that was initially delivered through Churchill, a shuttle from Churchill.

So I believe that holds a great deal of promise and that's why we've asked, and I'm very pleased that the Member for Thompson has included this in this resolution, because I think it has potential for Churchill and should be pursued.

In addition to that, Madam Speaker, we are continuing with our efforts to work with the customers that utilize the port. Certainly there are political realities, and the Member for Ste. Rose talks about encouraging customers to expand their use of the port, rather than forcing the Canadian Wheat Board to put a certain amount through the port. The fact is that is the right approach, but there are realities there. Our trade imbalance with the Soviet Union, for example is 75 to 1. They want something in return and we have to look at something that Manitoba needs of their products to use as a trade. That's what we have to promote and we have to get a Federal Government making a greater effort in that regard, Madam Speaker.

It has to be a national effort and we're prepared to work in that regard with them.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you very much, Madam Speaker.

I'll just take the last few minutes to begin my presentation if I can. Madam Speaker, I'd like to

comment on a few of the remarks just made by the Minister of Highways and Transportation.

I heard the Minister say firstly that costs do not matter and then of course he qualified that by saying that when you look at it in an infrastructure sense, comparing the costs that have gone into other transportation areas within the nation, that indeed that when you consider Churchill it should be looked at in the same light. I think that's specifically, or more or less, the essence of what he was saying, Madam Speaker.

I can support that argument. Quite frankly, as a western Canadian, I can accept that argument. I can tell the Minister and members of the House that some 15 years ago - how time flies - when I was an agricultural economist with the Canada Grains Council and had my first introduction into all the studies that had been directed toward Churchill, I did see the eastern bias that was incorporated into the analysis. I've heard, of course, arguments to that end on many occasions since.

But, Madam Speaker, I have not seen where anybody has gone to the effort of documenting - and they may exist - all the costs that have been directed in towards other transportation infrastructures, whether it's been the seaway and indeed the harbours in the St. Lawrence system or the Vancouver area.

I know they exist, Madam Speaker, but I haven't seen them. I would think that this Minister, if he had access to them, may want to use some of that information in some of his addresses.

The Minister also indicated that interest by Alberta is waning in the Churchill Port. Madam Speaker, as the Minister pointed out so rightly, that government, through its Heritage Fund, bankrolled the Prince Rupert terminal to the effect of \$200 million or \$250 million, a massive amount of money, so you would naturally understand that their first priority and attention would be directed toward the maintenance of their investment. That's only to be expected.

Thirdly - and this is the most trying point of all, Madam Speaker - I'm sure you recall two or three Sessions ago, you may have even spoken towards the resolution, maybe it was a year ago, I can't recall, when members opposite brought forward a resolution dealing with the "black box," that black box that replaced the caboose at the end of the train.

A MEMBER: Not here.

MR. C. MANNES: Well, of course the resolution was dealing with that, Madam Speaker, and how members opposite decried that new technology, because of the basis of safety, I think, was their argument. But they hinged their whole argument on safety, and what they were saying - (Interjection) - Well, Madam Speaker, I don't care what Leo Duguay said. I'll say what I said.

Madam Speaker, but you remember when some of us on this side said don't deny technology, it has a place. The Minister rises in his place and says that there's an engineering group in Alberta and they've got the solution to the sinkholes, it's new technology, and that if we can incorporate it in some degree, we can maybe help save or rehabilitate the Churchill line.

The members opposite accuse us over and over again of not wanting it both ways. Madam Speaker, which way do they want it? They'll accept technology in one

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respect and throw it out the window on the other. My fourth point, Madam Speaker, is the Sydney area. I'm very interested in hearing members opposite when they speak, expand on the Sydney, Nova Scotia reshuttling, grain shuttling program. All I say to the Minister is if it involves those of us growing grain in the Prairies, of having to hold our crop over a whole year in greater magnitude to service those needs, Madam Speaker, it doesn't represent much of a viable alternative. None

of us want to keep our grain on our farms until June or July if we can help it.

Madam Speaker, I'll complete my address the next time we debate this resolution.

MADAM SPEAKER: Is it the will of the House to call it six?

The hour being 6:00 p.m. then, the House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Wednesday)