



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

DEBATES
and
PROCEEDINGS
(HANSARD)

37 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 13, 1988.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Hon. Charlotte Oleson (Minister of Community Services): I have a ministerial statement.

I would like to inform the Members of the Assembly that I am announcing today a new initiative of my Department of Employment Services and Economic Security, a program called "Gateway."

"Gateway" is a new opportunity for social assistance recipients in Manitoba to participate in job training leading to permanent employment. This 30-week program will combine classroom instruction at recognized training institutions with on-the-job training to give the participants the skills they need to become effective and valuable employees. Manitoba employers who provide on-the-job training and employment will receive wage assistance from the program.

This \$1 million initiative will be delivered by provincial Employment Services offices in Winnipeg, Brandon and The Pas, and will serve those communities and surrounding areas. Approximately 110 social assistance recipients are expected to benefit from the program.

Staff of Employment Services and Economic Security are beginning participant selection and orientation immediately. The institutional training will begin in January, and private sector employers who can provide on-the-job training and a commitment to long-term employment for the participants will be recruited in the coming weeks and months.

I would like to note that this new provincial commitment is in addition to Manitoba's previously agreed upon participation in employment programming under the Canada-Manitoba Agreement on Employability Enhancement for social assistance recipients. Under the original terms of this agreement, the Governments of Canada and Manitoba are contributing \$6 million jointly this year toward various programs and projects which provide employment preparation opportunities for the many social assistance recipients in this province who want economic independence. The federal Government will be matching the province's budget for "Gateway" through \$1 million of Canadian Jobs Strategy Programming targeted to social assistance recipients.

* (1335)

In addition, I am also announcing today that our Government is adding an extra \$400,000 to the budget of the Single Parent Job Access Program. This is over and above \$3 million of funding provided jointly by Manitoba and the Government of Canada this year.

This supplemental funding our Government is providing will be utilized to expand and enhance skills training options for single parents throughout the province who are in receipt of social assistance.

The training will be undertaken in the areas of health care aid, electronics, bus and truck driving and clerical and legal secretarial work.

Our Government believes that the training opportunities available under "Gateway" and the "Single Parent Job Access" will be a good investment for those individuals who benefit directly and for all of us who want to ensure that the best use is made of our province's human and financial resources. Thank you.

Mrs. Sharon Carstairs (Leader of the Opposition): The Liberal Party in Manitoba, gathered here in this House, thanks the Minister for her announcement today. It is particularly a timely announcement in that the unemployment statistics have gone up by 7,000. We are, of course, hoping that it is not a little too late in the form of an initiative announced here.

Some of the things, however, that are not included in this and that raise particular concern to me and my caucus is that many of the single parents will not be able to access this program if there is not adequate day care. If they cannot find the method by which their children will be given priority care, then they will not be able to take advantage of this program. It does not appear that this Government is the least bit interested in establishing any new and additional day care spaces.

An Honourable Member: No, wrong again!

An Honourable Member: You have to clear a button on the computer. You got that wrong.

Mr. Speaker: Order, please. I am sure we want to give the Leader of the Opposition (Mrs. Carstairs) the opportunity of expressing her views on this ministerial statement. The Honourable Leader of the Opposition.

Mrs. Carstairs: Thank you, Mr. Speaker. It would be nice if the Government could listen to the same seriousness of what I have to say as I listened to the Minister's statement.

The issue here of unemployment in this province is one that is growing daily. Programs like the one announced by the Minister and the funding of \$1.4 million is still very short of the \$8 million that was available to the previous administration under the Manitoba Jobs Fund. I congratulate the Government on this new initiative. More are required and more must be addressed in the issue of day care if particularly single-parent mothers are to take advantage of this particular program.

* (1340)

Mr. Leonard Evans (Brandon East): I thank the Minister for the program, for the announcement about a rather minor increase in what we are doing to help welfare recipients, particularly single parents, get some training and get some employment.

But I would point out an interesting observation. The previous Government formed the Department of Employment Services and Economic Security, bringing it together so that you could indeed tackle the problem of people on welfare who may need some training and who could therefore get some permanent employment.

I can advise you, Mr. Speaker, that we, in our Party, when we were in Government about three years ago, suggested to the federal Government that terms of the Canada Assistance Program administration be changed so that we could engage in programs like this. Our proposal was accepted and we set up the Employability Enhancement Program, a program of \$6 million a year for a couple of years. It was very successful and the federal Government agreed at that time—Mr. Jake Epp agreed over a year ago—that we should put more money into it, and we said, yes, we would put more money into it.

I suspect what we have today is a bit of a program that is linked to this initiative that we were prepared to take approximately a year ago to provide more funding to train people, particularly single parents who are on social assistance, to allow them to obtain permanent employment.

The regrettable thing, Mr. Speaker, is we have a bit of money being put forward here. At the same time, we were advised in this House not long ago that the \$10 million Training for Tomorrow Program was to be no more, that no longer was the Government obtaining applications or receiving applications. So we have had a sharp drop in monies available for training on the job of unemployed Manitobans.

I would also observe that the Conservative Government in Ottawa has announced and is fulfilling a major cutback in funding of training in our community colleges, a 39 percent cutback over years. If you look at the total figures on federal Government spending on training and employment in this province, you will see a drastic cutback under the Mulroney Government. The people of Manitoba are simply being cut back by millions of dollars.

In respect to the statement itself, Mr. Speaker, I say that while it is important to help the structurally disadvantaged—and this is what this paper relates to—it does nothing really for those young people and not so young people who become unemployed because of the downturn of the business cycle, because of the worsening economic conditions in this province. It does nothing for the 7,000 additional people who are now unemployed in Manitoba. It does nothing for nearly 43,000 people in total who are unemployed. The fact is that, according to the figures that we have seen from Stats Canada, unemployment is worsening, is getting much worse than it should be, and this is a trend that has been evident for three months now, three months in a row.

I am suggesting that this statement, while it helps a few people who are structurally unemployed, will do

virtually nothing for those 7,000 additional people who are unemployed. It will do nothing for the vast bulk of people who are unemployed in Manitoba today.

Mr. Speaker: Prior to oral questions, I have numerous announcements.

INTRODUCTION OF GUESTS

Mr. Speaker: May I direct the attention of Honourable Members to the Speaker's gallery where we have with us today His Excellency, Dr. Bernard Yankey, who is the High Commissioner for the Organization of Eastern Caribbean States.

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

We also have with us this afternoon, in the public gallery, from the Oakenwald School, forty-five Grade 5 students under the direction of Miss Mary-Anne Mitchler. This school is located in the constituency of the Honourable Member for Fort Garry (Mr. Laurie Evans).

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

ANNOUNCEMENT

Mr. Speaker: I am sure that all Honourable Members would like to join me in congratulating the Honourable Member for Fort Rouge (Mr. Carr) and his wife, Ruth, on the birth of their daughter, and a new sister for Rachel and Benjamin, early this morning at the Victoria General Hospital.

ORAL QUESTION PERIOD

MPIC Rate Reviews

Mrs. Sharon Carstairs (Leader of the Opposition): My question is to the Minister responsible for the Manitoba Public Insurance Corporation (Mr. Cummings). Past statements from this Government have led us to believe that they would be depoliticizing the Manitoba Public Insurance Corporation and as part of this new philosophy of open and accessible Government, motor vehicle insurance rates would first have to be approved by the Public Utilities Board. My question to the Minister responsible is: Has there been any change in that policy since it was announced within the past week?

* (1345)

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): Mr. Speaker, the Member opposite, first of all, is wrong in saying that policy was just enunciated this week. We have indicated for a great length of time that rates will be reviewed by the Public Utility Board.

PC Manitoba Fund Auto Insurance Agents

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, on October 7, the PC Manitoba Fund invited insurance dealers to a breakfast meeting on October 20, at which they would be briefed by the Minister responsible for MPIC (Mr. Cummings).

In order to attend, not only they are required to pay \$10, which, I grant you, is nominal, but they are also required to confirm their attendance with employees of the Manitoba PC Fund.

My question to the Minister responsible for MPIC is how can the Minister on the one hand speak of open and non-partisan Government, and on the other hand request that insurance agents wishing to meet with him must first subscribe to the PC Manitoba Fund?

Hon. Gary Filmon (Premier): Mr. Speaker, I always knew that there was something deep behind the first question of the Leader of the Opposition (Mrs. Carstairs).

An Honourable Member: It was very deep. Paul Edwards must have written that one.

Mr. Filmon: There is indeed a luncheon being put on by the PC Manitoba Fund. I believe I am invited there and I believe perhaps the Minister responsible is also going to be there. There will be several of our Ministers there to listen to the views and the concerns of people from a cross-section of industry and business in this province.

This is a series of ongoing luncheons. I believe that we have had two or three since we have been in Government. We have had different people at them every time. These are not strictly people from the insurance industry. There will be people from all areas of business and industry. The only reason they are to confirm their attendance with the PC Manitoba Fund is so we know how much lunch to order.

Mrs. Carstairs: First of all, it is breakfast and not lunch, but obviously he has been invited, Mr. Speaker, since he does not know what meal of the day it is.

Auto Insurance Agents

Mrs. Sharon Carstairs (Leader of the Opposition): Can the Minister responsible for the Manitoba Public Insurance Corporation (Mr. Cummings) tell this House why the insurance agents cannot meet through an invitation to his office, but instead have been invited via this route through the PC Manitoba Fund in order to find out more details about MPIC?

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): Mr. Speaker, the number of meetings that I have had with the agents, with autobody repair people, indicate that my office is open to these people any time they want to set up a meeting. They are more than welcome.

Mrs. Carstairs: With a supplementary question to the same Minister. Did his staff release any information to

the PC Manitoba Fund such as the list of insurance agents the Fund used in its mailout?

Mr. Cummings: Absolutely not, Mr. Speaker.

Guest List Preparation

Mrs. Sharon Carstairs (Leader of the Opposition): A question to the First Minister (Mr. Filmon). How many other meetings has the PC Manitoba Fund arranged between his Ministers and other groups who have no interest at all in supporting the PC Fund but feel they must in order to receive information from his Government?

Hon. Gary Filmon (Premier): Mr. Speaker, a matter of days or weeks after the Budget, the Minister of Finance (Mr. Manness) and I met with people, and the invitations were sent out by the PC Manitoba Fund. It was something that we did not want to have done at the expense of Government. We wanted it to be done by the PC Manitoba Fund. People pay for their own lunch or breakfast, whatever it is, so that there is no cost to the taxpayer. We are soliciting feedback and concerns and reactions and responses from people throughout the community.

I can tell you that the list that was used by PC Manitoba Fund was not from any Minister's office. It was to do with people—a cross-section of people. They get names, addresses, phone numbers of business people and they invite them to come and meet with Ministers so that we can get their advice and share their concerns with them as a basis upon which we make judgments and decide future policy for this province.

We meet with people day after day. I go out and meet with people in Brandon, in Altona, in Steinbach. We invite people in to meet with us. We get these names from the phone book; we get these names from lists of people all over the place, Mr. Speaker. We are an open Government—we want to have response and dialogue with the people of Manitoba—and if the Liberals do not like it, that is their problem.

Mrs. Carstairs: This is such an open Government you have to get an invitation from the PC Manitoba Fund.

What is this Government doing with regard to the preparation of lists, lists which you have already indicated were issued even for a meeting with the Finance Minister (Mr. Manness)? What lists is this Government providing to the PC Manitoba Fund?

Mr. Filmon: We have asked for people from the business community to suggest names to us. So these lists of names are provided by other people in the business community saying we think you should meet with these different people. We just take those lists, we invite these people, we ask them to respond so we know how much food to order, and we have a meeting with them and solicit their advice.

Mr. Speaker, I would like the Leader of the Liberal Party (Mrs. Carstairs) to know who prepares the list for the Liberal fund that they send out to ask for

donations, because they sent one to me asking me to donate to the Liberal Party. I object to that, Mr. Speaker, because I have absolutely no intention of supporting the Liberal Party and I wish that the Leader of the Opposition would take my name off that list.

* (1350)

Government Ethics

Mrs. Sharon Carstairs (Leader of the Opposition): We are talking about ethics in Government. We are talking about Ministers meeting with individuals at the request of the PC Manitoba Fund.

Does this Government not believe that that is a violation of their Oath of Office as Ministers of the Crown that they should use their ministries in such a blatant political way?

Hon. Gary Filmon (Premier): We have gone out to different groups in Manitoba's communities and societies and said: Would you do us a favour and arrange a group of people that we could speak to, so that we could have a bit of dialogue and communication with? We have gone to service clubs and asked them to put together lists of people. We have gone to community-based groups and asked them to put together a list of people. We went to the PC Manitoba Fund and said: Bring us a cross-section of people from the business community, names that you can put together of people we can have dialogue with.

We did it so that it would not be an expense to Government, not one nickel of it would be paid for by the taxpayers of Manitoba, and we did it in a way that it would be self-sustaining so that those people would pay the cost of their meal themselves and they would have an open dialogue. There would be absolutely no interference in any way whatsoever—a completely open exchange of ideas—and we did it in a way that we thought was reasonable, and we cannot understand what the problem is of the Leader of the Liberal Party (Mrs. Carstairs).

Some Honourable Members: Oh, oh!

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

Mr. Gary Doer (Leader of the Second Opposition): While everybody is taking each other off lists, I would ask that the Government take the Member for Elmwood (Mr. Maloway) off the list from the PC Manitoba Fund. Ten dollars is a lot to pay, for an MLA, for cold eggs and a boring speech from the Tories.—(Interjection)—I get letters from everybody, Mr. Speaker.

Aluminum Smelter Proposal in Concept

Mr. Gary Doer (Leader of the Second Opposition): My question is dealing with the 7,000 people who are unemployed in this province, and dealing with the lack of initiative and lack of economic development on behalf

of the Premier (Mr. Filmon) in dealing with a very, very serious issue facing Manitobans.

There are 7,000 people unemployed in terms of over last year. That is larger than the size of the community of the Minister of Employment Services and Economic Security (Mrs. Oleson). It is larger than the communities of many of the Members of this Chamber. It is a very serious issue.

My question is to the First Minister (Mr. Filmon). Mr. Mulroney six weeks ago stated that the federal Government was "awaiting a proposal from Manitoba dealing with the aluminum plant." We heard again this weekend when he was visiting his ridings in Quebec about how positive he was to Mr. Bourassa's proposal in Quebec for an aluminum plant. The company five weeks ago, in the business pages, which I am sure all Members read, stated that the company is on the fast track in this aluminum plant.

Has the First Minister submitted a proposal in concept, at minimum, as he has indicated for other proposals in this province, to get funding from the federal Government for an aluminum plant in Manitoba, given the positive response from the Prime Minister to Quebec and given the positive response that all kinds of other projects, billions of dollars worth of projects, are getting funding from this pre-election and first week of election commitments from the Prime Minister? Have you submitted the proposal yet on our aluminum plant?

* (1355)

Hon. Gary Filmon (Premier): I do not know how the NDP used to work it but, first thing, we have to have a firm agreement between ourselves and Alumax as to what is involved in the proposal. It involves negotiation on energy rates. It involves negotiations on any subsidies or capital investments or non-repayable loans or repayable loans, or any of those things that Alumax may have. When they have a proposal that they put before us that outlines their fiscal plan, their investment proposal for Manitoba, that identifies clearly how much money in terms of taxpayers' involvement in the development of this is clear, then we can put a proposal to Ottawa.

First and foremost, we negotiate with Alumax. We establish their bona fide interest in Manitoba. If indeed they are interested and we can take it to a stage where Alumax is going to provide a benefit to Manitoba by locating here and creating an opportunity here in Manitoba, then we will have a proposal to put forward to Ottawa.

Ottawa will listen to us when we have a firm proposal. You do not go out trolling and fishing, saying to Ottawa, well, we may need \$100 million, we may need \$50 million, we may need \$500 million; when we find out, of course, we will fill in the numbers, but just sign the cheque for us now so that we can go to Alumax and get them here and then we will fill in the numbers later. It does not work that way. Perhaps it did with the NDP, and that is why we are in all the trouble we are in this province; that is why we have a payroll tax that is destroying job initiative; that is why we have the second

highest overall tax load in this entire country of ours. We are not doing things that way.

Mr. Doer: That is right. You are not doing things that way. You are not doing things any way. You have created 7,000 more unemployed this September over a year ago because of this hands-off do-nothing approach of the Government.

Economic Development Job Creation Strategy

Mr. Gary Doer (Leader of the Second Opposition): My question to the First Minister (Mr. Filmon) is dealing with this very serious issue. Given the fact that the Prime Minister has indicated federal support for a number of proposals in concept—whether it is Hibernia; whether it is Lloydminster, with the oil prices going down; whether it is in heavy oil projects, the Oslo projects; whether it is in other regional development projects and boondoggles in the Province of Quebec—the Prime Minister is handing out billions of dollars that Manitoba taxpayers will have to pay. Why does this First Minister not realize that the boat has left the harbour and it is time for Manitoba to get on it in terms of job creation programs in this country?

Hon. Gary Filmon (Premier): Mr. Speaker, everybody in this province, except the NDP Members sitting in this Legislature, understands that you cannot turn around six years of adverse policies in six months. If we are talking about the expectations of the economy in Manitoba—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order.

Mr. Filmon: If we are talking about the expectations and projections for the economy, Mr. Speaker, let us start with a few facts. In March of this year, for the first time in more than a decade, Manitoba's unemployment rate was above the national average, that is No. 1. No. 2, here is a planning document from the NDP—quotes from a planning document from the Planning and Priorities Committee of Cabinet that was developed early in 1988. Here are some of the quotes that they said: "Following three years of real economic growth that exceeded the national average from 1984, up to and including 1986, Manitoba's economic growth is expected to be less than Canada's for 1988 and 1989." That is what the document said.

Mr. Speaker, here is another thing that it said: "Following the completion of the Polo Park expansion and North Portage in 1987 and the declining level of activity on the Limestone Project after the summer of 1988, it can be expected that the Manitoba economy will experience some falling off in its rate of growth." So they were saying that the economy was slowly going down the tube and they did not have any answers to that. Now he is trying to blame that on our Government that has only been in office for a matter of five months.

* (1400)

Mr. Doer: Indeed, documents would come from the Government bureaucracy, they would come from planning bodies, they would come from conference boards, and we used those documents to do something, instead of sitting back and do nothing like the First Minister (Mr. Filmon)—absolutely nothing. Seven thousand more people are unemployed. Half the Winnipeg arena, when it is full, is unemployed.

Mr. Speaker: Order, please. Does the Honourable Member have a question?

Mr. Doer: This is very serious, Mr. Speaker.

Will the First Minister admit to the people of Manitoba that every prediction in terms of growth and employment in their last Budget were wrong. For three months running, their unemployment rates have been wrong, their growth rates are now wrong. Will he come back with a job creation strategy? Will he not realize the world does not come to Manitoba, that Manitoba has to go out to the world to develop our job potential and our future?

Mr. Filmon: Mr. Speaker, the Leader of the NDP (Mr. Doer) is right. Every time they were given predictions, they did something about it. I will tell you what they did. When they found that they had a problem with unemployment they decided to send the Telephone System workers to Saudi Arabia and lose \$27 million. They raised the payroll tax, Mr. Speaker; they raised our overall tax rates in this province to the second highest in the entire country so that they could invest money in short-term make-work jobs that created nothing of substance for the future of Manitoba. That is the kind of initiative they took, those are the decisions they took, and that is why they have buried us in a situation that we are now trying to get out of it.

So what are we doing, Mr. Speaker? We are investing in long-term opportunities; we are making sure that we attract businesses that will be here for the long haul; we have reduced the payroll tax in Manitoba, and committed to remove it entirely. We are working with small business in Manitoba and we are keeping a lid on the debt in Manitoba so that we will have a sound economy upon which to build a base for long-term employment in this province.

Mr. Doer: All the rhetoric and all the Pollyanna speeches from the First Minister to the Chamber of Commerce do not change the basic facts. Tory times are tough times. The economy is going down. Every prediction and number proves the First Minister wrong.

What is he and his Government going to do to develop economic development to meet his obligations in his Budget that was presented in this Chamber just two months ago?

Mr. Filmon: We have removed the payroll tax off half the employers that are currently paying it in Manitoba. We have put in an incentive for new small business to begin in Manitoba by a tax holiday for the first five years of their operation. We have reduced our deficit to the lowest level that it has been since 1980. We

have begun the course of deficit reduction to take the burden off all the taxpayers, including the corporations and small businesses of this province, so that they can keep their profits in Manitoba and invest them in job creation, expansion and opportunities.

We are supporting the Free Trade Agreement, the opportunity for—

An Honourable Member: You said reach out in other markets, Gary. You said that a few minutes ago.

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

Mr. Filmon: We are supporting the Free Trade Agreement. We are seeking new opportunities for Manitoba. We are supporting the Free Trade Agreement, the opportunity for Manitoba producers, for Manitoba manufacturers, to access a market ten times the size of our Canadian market—opportunities for expansion, growth, investment, job creation. That is what we are concentrating on, not the gloom and doom of the NDP Government as quoted in their statistics. They said in early 1988 that Manitoba's economy was going down the tube and we are reversing that, Mr. Speaker.

Pharmacard System Initial Costs

Mr. William Chornopyski (Burrows): My question should be for the Minister responsible for Seniors (Mr. Neufeld). However, in the past, he has been somewhat reluctant to answer questions; so I will direct my question to the Minister of Health (Mr. Orchard).

Yesterday, the Honourable Minister of Health stated that he had not ruled out a Pharmacard system or a program for seniors. He also announced that it would cost more than \$6 million to implement the Pharmacard system advocated by the Liberal Party of Manitoba. Would the Minister table the report that stated that implementation of the Pharmacard program would cost in excess of \$6 million, considering that the Saskatchewan Government is projecting implementation costs of approximately \$2 million for their program?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend is right. The implementation costs of the program are \$2 million to set up the framework of the program. What he should ask the Saskatchewan Government is what is the cost of their Pharmacare Program after it is implemented. He may find that to be an additional \$6 million in Saskatchewan as well.

Feasibility Study

Mr. William Chornopyski (Burrows): Mr. Speaker, to the same Honourable Minister. In view of the fact that this Government has continually refused to promote programs beneficial to seniors, will the Minister redeem himself and consult with his colleague, the Minister responsible for the Seniors' Directorate (Mr. Neufeld), to undertake immediately a feasibility study and report back to this House within three months?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I do not want to take my honourable friend's suggestion lightly because he makes it with all sincerity, but my honourable friend ought to consider the urgings of the Health critic, the Member for Kildonan (Mr. Cheema), his Leader (Mrs. Carstairs), who say do something right now; do not study, just do something. Mr. Speaker, where is the Liberal Party coming from? Do they want studies or do they want action?

Our purpose, our goal and our direction, over the last five months that we have been in Government, have been consultation with Cabinet and caucus colleagues to address needs of Manitobans, to further discuss direction with Manitobans, particularly in the Department of Health with a diversity of groups involved in the delivery of health service and consumers of health services, to find out how we can make this Department of Health and its program delivery more effectively meet the needs of Manitobans. Those discussions will result in some positive changes to the system, and I know that my honourable friend who has posed the question will support those changes.

* (1410)

Mr. Chornopyski: Mr. Speaker, to the same Minister. Will the Minister also consider taking up discussions with such groups as the Manitoba Seniors to determine the public's needs for a Pharmacard program? Will he also provide this House with that \$6 million figure report?

Mr. Orchard: Mr. Speaker, when we approach the Estimates and we discuss the Pharmacare Program in the Estimates, I am sure my honourable friend will want to pose those questions because those guesstimates of cost from the Pharmacare Program management can be made available. As well, other options of allowing greater access, faster refund of Pharmacare deductibles, can be discussed at that time because the Pharmacare card is one of a number of options that are available for the system and are under review.

Telephone Services Rural Enhancement

Mr. Gilles Roch (Springfield): Mr. Speaker, my question is to the Minister responsible for the Manitoba Telephone System (Mr. Findlay). MTS recently announced some long overdue and much needed improvements in parts of rural Manitoba after years of neglect by the previous NDP Government.

An Honourable Member: You used to belong to it.

Mr. Roch: And you used to belong to the Tories. Unfortunately—

Mr. Speaker: Order, please; order.

Mr. Roch: Members of this House do not think rural telephone service is a serious issue. It is unfortunate, Mr. Speaker, that significant portions of rural Manitoba were totally and intentionally ignored by this

Government even though they, like all Manitobans, will start paying higher rates in the very near future, almost immediately.

My question to the Minister is: can he tell this House why the communities surrounding Winnipeg and Brandon will be receiving virtually no improvements to service even though they have been paying more than their fair share for the past several years and will be continuing to do so?

Hon. Glen Findlay (Minister responsible for the Manitoba Telephone System): It was a pleasure to be able to have announced the Manitoba Telephone System is improving the service to rural Manitoba over the coming years. I think it is safe to say that all members of rural Manitoba will see improved opportunities to have the class of telephone service that the citizens of Winnipeg and Brandon have had for a long time.

The individual line service will be available to all communities over a program of a period of time, and they will have the opportunity of purchasing an optional call program to the City of Winnipeg for about a 50 percent reduction in their long distance rates to the City of Winnipeg, for a cost of \$5 a month, up to a maximum of \$50.00. There are two significant improvements in the service that those people will have in the areas surrounding Winnipeg and Brandon.

Rural Telephone Services Direct Dialing

Mr. Gilles Roch (Springfield): The Minister has not addressed the question I was asking. Will the Minister tell this House why the Government refuses to provide rural communities surrounding Brandon and Winnipeg with the direct no-cost dialing which is vital to their economic survival and which they have been rightfully demanding for many years?

Hon. Glen Findlay (Minister responsible for the Manitoba Telephone System): There is nothing that does not cost some money. Telephone employees need to have their salaries paid. Lines that are laid need to be paid for. Switches that need to be installed need to be paid for. If those people—those 13,700—were to receive free calling into the City of Winnipeg and the City of Brandon, it would cost all residents in those two cities—some 640,000 people—an additional \$3 to \$5 a month, and we chose not to do that because we did not believe that all the citizens of Winnipeg wanted that kind of increase in their monthly telephone bill.

Rate Decrease

Mr. Gilles Roch (Springfield): I disagree with the Minister; but if the Minister will not commit to direct dialing for these communities, a position which the PC caucus supported while in Opposition, will he decrease the rates for those residents, especially the exorbitant rates that those residents who are forced to use FAX service are paying right now?

Hon. Glen Findlay (Minister responsible for the Manitoba Telephone System): When the telephone

rates across the country are compared on communities of equal size, Manitoba has, by and large, the lowest telephone rates across Canada. After the improvements are brought in and the improvements are paid for, we will continue to have amongst, if not the lowest, telephone rates across the country of Canada, and we will start to have equal level of service.

Fisheries Industry Small Mesh Net Policy

Mr. Bill Uruski (Interlake): The Minister of Agriculture (Mr. Findlay) sounds like our Leader on telephone rates all the time.

My question is to the Minister of Natural - (Interjection)- the grandfather of Saudi Arabia is sitting right there, the Minister of Health (Mr. Orchard).

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order. I have recognized the Honourable Member for Interlake.

Mr. Uruski: My question is not to the Sheik of Pembina, who started the Saudi Arabia deal; but my question is to the Minister of Natural Resources responsible for Fisheries (Mr. Penner), dealing with Lake Manitoba.

Lake Manitoba has two basins, recognizing that 80 percent of the fishermen are located on the south basin and can, of course, by number, dictate what happens to the entire lake in terms of fishery. The majority of fishermen on the north basin, along with local Municipal Councils and Wildlife Federation representatives, are all opposed to the recently announced sport fishery, the "small net fishery."

Recognizing that last year there was a small net fishery on the entire lake and the fishermen from the south outvoted the north fishery, I am asking the Minister, will he consider altering his proposal to exclude the north basin from what is considered by those involved in the industry to be the wrong decision to the long-term health of the fishery?

Mr. Speaker: The Honourable Minister of Health (Mr. Orchard), on a point of order.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I wanted my honourable friend to finish his question before I raised a point of order. The statement made by my honourable friend about MTX in Saudi Arabia is factually incorrect. He sat in Cabinet when Premier Pawley and Muriel Smith signed the Order-in-Council to create MTX. He sat in Cabinet when it happened and what he is indicating is factually incorrect.

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

Hon. Jack Penner (Minister of Natural Resources): The Honourable Member for Interlake (Mr. Uruski) asks a very valid question.

The health of the fisheries on Lake Manitoba and Lake Winnipeg are of real concern to myself and also

to my department. The Fisheries Department, during the summer months and during the spring months, to date, had done a series of consultations with fishermen, as well as other interested parties, around Lake Manitoba. It was indicated by that series of consultative meetings that there was a need to continue the three-inch mesh net fisheries for another year. As a matter of fact, they recommended that there be another three-year period that we implement that three-inch mesh net fishery.

I have had, as the Honourable Member knows, numerous people come to me after I had indicated that we would in fact put in place three-inch mesh net fisheries for all of Lake Manitoba. I have had a number of people come to me and voice their concerns. I respect those concerns. The Wildlife Federation, the anglers of Lake Manitoba, some of the tour operators around Lake Manitoba have indicated that they have concerns for the lake, and I think they have concerns.

It is with that in mind that I, only today, indicated to my staff to contact all of the fishermen in the north basin of Lake Manitoba and ask them what their views are again on the future of the fisheries in Lake Manitoba. After I have heard the results of the questions that they are going to ask—and their question is going to be simple, "Do you want to, or do you not think you need a three-inch mesh net fisheries on the north basin of the lake?"—after I have those results, I will indicate those results to this Legislature.

* (1420)

Mr. Uruski: I am very pleased with the Minister's response to this request in terms of contacting all the fishermen and let the Minister be informed.

I want to ask another question. There has been very little investment up to this point on the northern part of the lake. Now that the Minister is prepared to go with the survey, is he prepared to respect the requests of these fishermen and make a decision based on that survey to exclude the north basin from the south basin, if that is their wishes?

Mr. Penner: I think it is too early to tell what the results of the survey will be. As I had indicated, I would indicate to this Legislature what the results of that survey will be; and my decision, after those results are in, will be based on whatever reaction we have received due to that survey.

Mr. Uruski: Mr. Speaker, I think it is important to understand from the Minister that how people will respond to the survey will be how he will respond in terms of their wishes.

I would like to know what criteria he will use in terms of determining whether or not the fishery will be continued, or in fact whether the wishes of the fishermen will be accepted, because if he is prepared to accept the majority of the fishermen's views from that survey, then I think fishermen will come out and respond. That is really the question I am raising.

Mr. Penner: That is a fair question. I think I need to indicate to the Legislature that the previous Government

implemented a three-inch mesh net fishery in response to two issues: No. 1, there are large numbers of small species of fish in the lake that were deemed to be commercially feasible to harvest, and it proved to be that. Also, there were damages incurred by fishermen due to the storm and the decision was based on that, for that reason, to give these people some income.

However, there is another compensation package which has been put in place which will give them compensation for that income. The interesting part of the exercise last year was that it added some \$400,000 to the income of fishermen on the lake. I do not think we can deny that economical impact to the incomes of the fishermen was very beneficial to the region. That is also part of the decision-making process that will have to be taken into consideration.

Small Mesh Net Policy

Mr. Harold Taylor (Wolseley): My question is also to the Minister of Natural Resources (Mr. Penner). Given that in June '87, the three senior officials of the Fisheries section of the Natural Resources Department had recommended against a three-inch mesh fishery on the whole of Lake Manitoba—it is '87 now, to the former administration—and for political reasons, they had a very short three-inch mesh season, in the winter of '88, January or February '88, and the same officials did not change their views—(Interjection)—I see there is a little sensitivity here from the Member for Dauphin (Mr. Plohman), given he was the Minister at the time, Mr. Speaker. How does this Minister explain the decision-making to go willy-nilly into a high investment situation to bring in a three-inch mesh fishery onto Lake Manitoba, which has been proven by biologists to be detrimental to the livelihood of that very fishery?

Hon. Jack Penner (Minister of Natural Resources): It would do the Honourable Member opposite well to get his facts straight before he asks these kinds of questions. I am not sure whether I should even attempt to respond to the question the way it was worded.

The economic impact of the added income to the fishery last year was substantial, and I think it is well-known, and fish biologists will tell you, that the perch and other species have a very short life span and will die eventually if they are not harvested. So the harvest was permitted and provided the added incomes to the fisheries which have proved to be of substantial benefit.

I think it would do the Honourable Member well to make sure, when he makes the kind of statements or raises the kinds of questions in this House, that they are factual.

Mr. Speaker: Order, please. The time for oral questions has expired.

* (1430)

**ORDERS OF THE DAY
WRITTEN QUESTIONS**

Mr. Leonard Evans (Brandon East)—

- What was the effective date that the Minister of Employment Services and Economic Security ordered staff to stop (1) approving applications, and (2) accepting applications for the Job Training for Tomorrow Program?

- How was the public advised that the Minister was abolishing the program?

- Which organizations that received funding from the program were consulted by the Minister prior to her decision to cut funding for that program?

- How much additional social allowance expenditure did the Minister budget for, during her Estimates preparations, to cope with increased caseloads of welfare applications as a result of rising unemployment and cuts to services for the unemployed?

- List the dates on which the Minister decided to cut funding for the Unemployed Help Centres in Winnipeg and Brandon, abolish the Job Training for Tomorrow Program, and shut down the Workplace Innovation Centre.

- Which municipal Governments in Brandon (and area) were consulted by the Minister concerning her plan to cut funding to the Brandon and Area Unemployment Help Centre?

- List the date and forum that the Minister used to inform the United Way that she was cutting funding to the Winnipeg Community Unemployed Help Centre.

Hon. James McCrae (Government House Leader): Would you be so kind as to call the Order for Return on page 2 of today's Order Paper?

Mr. Leonard Evans (Brandon East): Mr. Speaker, I did not mean to anticipate the Government House Leader (Mr. McCrae) or yourself, Sir. There is so much confusion and noise, and I thought, when you were standing and looking at me, that you wanted me to read the Order for Return. I appreciate how you do not read the Written Questions. They stand on the Order Paper. I know that from many years of experience.

ORDER FOR RETURN NO. 5

Mr. Leonard Evans (Brandon East): Mr. Speaker, I would move, seconded by the MLA for Logan (Ms. Hemphill),

THAT an Order of the House do issue for return of the following information:

- (a) how much revenue have the Community Unemployed Help Centre of Winnipeg and the Unemployed Help Centre of Brandon and Area obtained for clients from the Unemployment Insurance Corporation each year since they began operations in 1979 and 1985 respectively; and

- (b) how much money has the Department of Employment Services and Economic Security allocated to each of the Unemployed Help Centres each year since they began operations; and
- (c) how many clients did each of the Centres have on an annual basis since they commenced operations; and
- (d) how many applications has the Minister of Employment Services and Economic Security received in 1988, and each year the program existed previously, from (1) non-profit groups, (2) institutions, and (3) businesses for the Job Training for Tomorrow Program; and
- (e) how many applications were approved under the program each year from (1) non-profit organizations, (2) small businesses, and (3) institutions; and
- (f) since assuming office, how many term staff have been terminated or not had their term positions extended by the Minister; and
- (g) a list of the businesses, institutions and non-profit organizations that told the Minister that they did not believe the program was useful; and
- (h) a list of the non-profit organizations that told the Minister there were other programs or funding organizations that they could use instead of Job Training for Tomorrow in order to hire young people, those over 55 years old, and those in special needs categories; and
- (i) a list of the funding organizations that were approached by the Minister to provide funding for training unemployed people to replace those who were hired by the program; and
- (j) a list of the number of individuals hired each year under the program for each of the following categories: physically disabled, mentally disabled, Native, on social assistance, immigrant, over 55 years old, 41 years old to 50 years old, under 25 years old; and
- (k) a list of the average duration of jobs approved under the program each year; and
- (l) a list of the statistical studies used by the Minister to decide which individuals did not require assistance from the Community Unemployed Help Centres; and
- (m) a list of the social agencies partially funded by the United Way that the Minister has targeted for cutbacks; and
- (n) a list of the meetings the Minister has scheduled with United Way agencies and the United Way Board to ensure that future provincial Government cuts to social agencies are not made at the beginning of the annual United Way fund raising drive; and
- (o) a list of the dates of all meetings that the Minister held with representatives of the Workplace Innovation Centre, employees, and businesses who have been clients of the

Centre, prior to her cutting the funding for the Centre; and

- (p) for each year since inception, a list of the percentage of funding and total amount of funding received by the Workplace Innovation Centre that was (1) from the Manitoba Government Employees' Association Trust Fund, and (2) from the provincial Government; and
- (q) a list of the dates of all meetings held by the Minister with representatives of the Manitoba Government Employees' Association to explain why the Minister was shutting down the Workplace Innovation Centre before funds allocated to the Centre by the MGEA Trust Fund had expired; and
- (r) a list of the arrangements that the Minister has made to ensure that contracts already operating with the Workplace Innovation Centre and businesses will continue despite the shutdown of the Centre by the Minister; and
- (s) a list of the criteria for the review of the Workplace Innovation Centre commissioned by the Minister, including participants, individuals interviewed, time period the study was conducted in, cost, and whether the review was tendered.

MOTION presented.

Hon. James McCrae (Government House Leader): Mr. Speaker, the Honourable Member's Order for Return is acceptable to the Government.

QUESTION put, MOTION carried.

Mr. McCrae: Mr. Speaker, I move, seconded by the Honourable Minister of Health (Mr. Orchard), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

* (1440)

**CONCURRENT COMMITTEES OF SUPPLY
SUPPLY—COMMUNITY SERVICES**

Mr. Chairman, Harold Gilleshammer: I call the Committee on Community Services to order on section 4(d) Child Day Care: Licenses and provides funding and program support to day care facilities and eligible families. (1) Salaries \$1,341,100.00. Shall the item pass?

Hon. Charlotte Oleson (Minister of Community Services): I have some information for the Member

for Ellice (Ms. Gray). She had asked about the average length of stay at Seven Oaks Centre. I can give her the information that in '86-87, the average was 16.2 days and in '87-88, it was 16.6 days.

Ms. Avis Gray (Ellice): Following up from the questions we asked the other day in Estimates, and we were talking about the main task force and the advisory group and just to clarify some of the Minister's statements. If I understood her statements correctly, the Minister is indicating that the task force will be responsible for developing a mandate and a purpose as to what the advisory groups will do and how they will operate with the task force? Is that correct?

Mrs. Oleson: Yes.

Ms. Gray: Given that is the situation, could the Minister then tell us what the rationale was for suggesting that two advisory groups be formed when there seemed to be no thought as to what in fact these advisory groups would do?

Mrs. Oleson: I do not follow the Member's thinking on "no thought." The advisory groups are just that, advisory groups. The two were chosen to get good representation. We could not get representation within the six or seven people on the advisory board of all facets of child care, including the parents and the providers. So we felt that an advisory committee of users and a committee of providers would be useful in helping the task force with the deliberations.

Ms. Gray: How many people are represented on the two advisory groups?

Mrs. Oleson: Five parents and five care providers.

Ms. Gray: Could the Minister tell us, was there any thought given to having a task force which was made up of 17 members and allowing that task force to make decisions on how they would operate a group similar to boards of directors who oftentimes have up to 20 members and perhaps still have one committee but then break into subcommittees? Was there a thought given to that rather than having two advisory groups of which there does not seem to be a stated purpose other than the words "to advise" which really does not tell us anything?

Mrs. Oleson: Of course there was thought given to various ways in which this could be done. We felt that a small representative group called the task force could get input from all the others and could formulate some opinions and then ask the advice of the advisory committees. There were many ways of doing this, considered, but we felt that a small group could probably put together a report and recommendations probably easier than a large group.

Ms. Gray: To clarify, are the advisory groups to ask advice of the task force or to give advice?

Mrs. Oleson: They give advice to the task force. Some of the parents and providers of care also would not—

in thinking about this and planning for it we realized and they indicated to us that some of them would not be available on a longer-term basis to act on this task force. They would not be available some times in the day time, to do with, of course, their work. They could be in an advisory capacity but they could not perhaps put in as much time as the task force members.

Ms. Gray: Do the advisory groups have any veto power if they feel that the suggestions or recommendations from the task force are contrary to what the advisory groups feel the direction should be?

Mrs. Oleson: I think we discussed this last time. No, they do not have a veto power but they could always indicate to me in some way or other that they had a contrary opinion and make a recommendation of their own if they wanted to.

Ms. Gray: The Minister has outlined and in information given to the House has stated some of the main areas that this task force would be dealing with. My understanding is that this task force will be looking at the non-profit day care system and the implications of private day care. Could the Minister tell us—given that her department has already set a specific direction as to where day care should go in this province, what if the task force comes up with recommendations which are contrary to the directions set by this department?

Mrs. Oleson: Then we will have to take that under consideration.

Ms. Gray: Could the Minister tell us these recommendations of the task force, are they there to do a job which then will be acted upon?

Mrs. Oleson: They are recommendations and, of course, we cannot prejudge what the recommendations are or whether or not they could be acted on immediately. The task force is there to make recommendations. It is up to the Government whether they implement those recommendations. It would be hard to say now whether we would or we would not because we do not know what the recommendations are yet.

* (1450)

Ms. Gray: Could the Minister indicate to us how are the spaces going to be allocated amongst the various day cares? What process is going to take place or what process has taken place?

Mrs. Oleson: Could the Member tell us which spaces she is referring to? Is it this year's spaces or—could you clarify it, please?

Ms. Gray: I am referring to any spaces that would be allocated for this year and if there has been a change in terms of process, what the Minister foresees as far as how spaces are allocated in the coming fiscal years?

Mrs. Oleson: Mr. Chairman, we have allocated that out of 420 that we had announced, 100 for rural and

shift workers. Of the 320 others, the allocation is 185 to schools, 75 to previous commitments, and 60 to expansion of day cares. Then the added private subsidies that would go to children in private centres, the 500 extra subsidies that we had announced earlier. In future, we would be allocating them probably on the recommendation of the task force, or possibly I should say on the recommendations of the task force. They may have some recommendations of how these should be allocated in the future.

Ms. Gray: Could the Minister clarify what she means by 185 spaces to schools? What exactly is she referring to there?

Mrs. Oleson: There have been schools built over the last year or so that have day care centres in them. Some of them are just coming on stream now this fall and later this year, depending on where they are in their building program. But that was an initiative that was already on stream, those spaces had already been built and we were allocating spaces to them.

Ms. Gray: Have those day cares been told, these new day cares, have they been told that in fact they have been allocated so many spaces and that it is in the budget?

Mrs. Oleson: Yes, letters have gone out to those centres.

Ms. Gray: Would the Minister provide a list for us where these 185 spaces are?

Mrs. Oleson: In Brandon, at Kirkcaldy Heights, there are 5 spaces; and Transcona, Joseph Teres, 40; and North Winnipeg, Meadows West, 40; and Stanley Knowles, 40. Also in Lac du Bonnet at Centennial School, 23 and in Brandon at King George, 36.

Ms. Gray: Could the Minister tell us, is there not a day care that is hoping to open in Russell, Manitoba?

Mrs. Oleson: That will be in the next fiscal year. The school has just commenced construction.

Ms. Gray: Could the Minister tell us, the 75 previously committed spaces, where those spaces are?

Mrs. Oleson: The Busy Bee Day Care and Our Day Care in Brandon, O-u-r.

Ms. Gray: With the 500 private—it is the subsidies for private centres, how will it be determined where and who will receive those subsidies and which children would receive those subsidies?

Mrs. Oleson: It will be initially up to 25 percent per centre of existing private centres and homes for subsidized spaces. They would have to apply for the subsidy and, of course, they would have to qualify for the subsidy.

Ms. Gray: To clarify, the Minister is indicating "they" would have to apply for the subsidy. Who is she referring to?

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Mrs. Oleson: Parents would have to apply for the subsidy.

Ms. Gray: Is there any role or responsibility of the private day cares in regard to what they should be doing in order to ensure or to hope that they would get 25 percent of subsidized children at their centre?

Mrs. Oleson: They would encourage the parents to apply and there has been a seminar for those people to explain the system to them. They would apply to the day care office and they would have to qualify.

Ms. Gray: Currently, and moving to talk a bit about the educational system and the training of child care workers, there certainly has been some recognition over the last few years that with training that we do have a shortfall of trained child care workers. This certainly is evidenced as well in rural Manitoba where, at the Assiniboine Community College, there are so many spaces and people on the waiting list and there have been particular problems that have been identified in regard to how do we get more people into training, particularly in rural Manitoba.

Is the Minister aware of some of these concerns, and what initiatives has her department set forth or begun in regard to dealing with this real problem in regard to trained child care workers?

Mrs. Oleson: Yes, I am aware of the problem and that is one thing I have asked the task force to look at. There are shortfalls due to staff turnover and need for more training courses, and I recognize that is a problem. There is a training course, I believe, now at Red River. There is another training course that just started, I think it was last week, under my other department in the New Careers Program that is training 20 day care workers in family day care, so that will help some of the strain of needing training. But I do recognize that there is a problem and we will have to address it. I have asked the task force to take a look at that.

Ms. Gray: Has there been a thought to increase the number of spaces at Red River or ACC for these individuals taking training?

Mrs. Oleson: The Minister of Education (Mr. Derkach) is also interested in what the task force has to say about this, and the two departments will have to get together and discuss the needs.

Ms. Gray: Has the Minister's own department done any work, or is the Minister aware and does she have some information herself as to what some of the difficulties would be in increasing spaces, particularly at ACC?

Mrs. Oleson: Available funds would be one of the major problems, and there was no training program in place for us to implement this fall any extra training programs, so that we will have to look at that for next fiscal year.

Ms. Gray: Could the Minister tell us, is not one of the real concerns as well that in fact, even if there were

available funds—let us not say if there were—if it was decided that available funds would be given to Assiniboine Community College, in fact there is a great stress placed on the rural day care system to provide practicum experiences for the child care workers, and that in fact this is one of the real dilemmas? How do you increase the number of spaces at Assiniboine Community College when part of the practicum involves being in day care settings, and the current day care centres in rural Manitoba are being taxed and probably cannot take on any more students?

Is the Minister aware of this and does she have—the Minister of Education (Mr. Derkach) is shaking his head. I am not quite sure why since that information certainly comes from people who are knowledgeable with the community college system and in day care.

I am wondering if the Minister's department has had any discussions with the Manitoba Child Care Association or Assiniboine Community College and the Department of Education in regard to this real problem in rural Manitoba.

Mrs. Oleson: I have met with the Child Care Association. They did not raise this as an issue, but I will take that under advisement because the Member raises probably a valid point. I can discuss that with the Minister of Education as well, but it has not been raised to me as an issue.

Ms. Gray: Could the Minister tell us, with the number of day care spaces, how many spaces are allocated for children with special needs?

* (1500)

Mrs. Oleson: Mr. Chairman, there are about 300 children who are identified as needing physical and mental needs and about 800 in general special needs. This year, we added funds for another 40 children with special needs.

Ms. Gray: Could the Minister tell us, any of those 40 spaces, would those be spaces available through the day cares at the Society for Manitobans with Disabilities?

Mrs. Oleson: No, it is in community-based day care.

Ms. Gray: Could the Minister tell us what her department's policy is in regard to segregated versus integrated day care settings for children with special needs?

Mrs. Oleson: Could the Member repeat the question? I am sorry.

Ms. Gray: Would the Minister tell us what her department's policy is in regard to integrated versus segregated day cares for children with special needs?

Mrs. Oleson: We promote parental choice, but the majority of the special needs children are in a regular day care.

Ms. Gray: Could the Minister tell us, has she had the opportunity to meet with the Society for Manitobans with Disabilities and discuss specifically their preschool program and their day care service?

Mrs. Oleson: I have met with the group. I also have visited the preschool for children with disabilities. I believe it was the opening of their newly renovated premises. I think that was the occasion I was there. I also visited the Sign Talk Day Care which is in the same building. I was given a tour and given a briefing of their special facilities. It was very interesting.

Ms. Gray: The Minister has mentioned her department supports parental choice. Could she elaborate on the policy about integration versus segregation of children with special needs?

Mrs. Oleson: What I meant by choice was people can choose the place that they go. They are not forced to use community day care if they want to use the special day care and vice versa. As much as possible, we try to accommodate where people want to have their children.

Ms. Gray: In regard to resources, support and funding, where is this department putting its resources? Is it putting resources into integrated day care settings or into the segregated day care settings?

Mrs. Oleson: We still support of course the Society of Manitobans with Disabilities Preschool because that at one point was the only facility available. They have 160 there at present. We of course are supporting, as we have indicated in giving the figures for support of day care spaces, support integrated spaces as well.

Ms. Gray: With children with special needs who are in regular day cares, what is the policy in regard to that day care centre in terms of trained staff to deal with those special needs children?

Mrs. Oleson: We want to encourage all the staff to work with the child. We do not single out one staffperson to deal with a special needs child. Everyone in that centre would, at some point, deal with the child. There would not be any difference made, wherever possible of course, of the needs of that child.

Ms. Gray: Then in regard to children with special needs, there are no policies or regulations or guidelines in regard to staffing on those special needs children; so, in fact, you could have 50 percent of the children with special needs and there would be no consideration given for extra staffing or a particular type of trained staff?

Mrs. Oleson: Mr. Chairman, we do have a handbook of policies that we could supply to the Member later if she wishes to have it. We do supply additional staff through special grants to ensure that there are enough staff to take care of the children in the centre. Of course, if there is someone with special needs there, there are extra staff allocated where it is needed.

Ms. Gray: How many children with special needs in a particular centre? Is there a certain number of children

who would need to be at that centre in order to qualify for one extra staffperson?

Mrs. Oleson: Generally two or three, but it is based on an assessment of what that centre can handle.

Ms. Gray: If a centre has spaces for three special needs children and they have a staffperson because of those special needs children and then a particular child for whatever reason moves out of that particular day care centre, does that affect the staffing ratio at all of that centre?

Mrs. Oleson: It may change and it may not. The whole thing would have to be reassessed if there was some movement of children in and out.

Ms. Gray: Therefore, would I be correct in assuming then it would be beneficial for those particular day care centres to keep their numbers up, shall we say, of special needs children so that they could maintain their staff?

Mrs. Oleson: There is no rigid formula. There is no incentive particularly. The whole thing is based on the needs of the child.

Ms. Gray: Mr. Chairperson, I am wondering if the Minister could indicate to us, going back to the day care spaces, she said there is an expansion of 60. Could she tell us, are those 60 spaces in urban Manitoba, in Winnipeg, or are those also part of what would be allocated to rural Manitoba?

Mrs. Oleson: In rural Manitoba, there are 13 spaces allocated, and in Winnipeg 47, for a total of 60. The spaces are assigned with a view to financial viability of the centre because obviously some centres could not operate with too few spaces. So you have to keep that in mind when you are allocating spaces, to keep the centre viable.

Ms. Gray: Could the Minister tell us, in regard to the 500 subsidies for the private centres, what monitoring system will be put in place to ensure that since these private centres which are profit centres will be subsidized, that the subsidization, the dollars going to those centres, will be used for the care of the child and not be diverted into the profit end?

Mrs. Oleson: The subsidy that we allocate is less than what the centre could charge for someone else so that is one thing but we also do spot audits. There are also minimum licensing standards and attendance reports, and we would encourage and get feedback from the parents, whether or not they were satisfied with the care.

Ms. Gray: The Minister has indicated there are spot audits and that her department would rely on feedback from the parents. How does a spot audit at the centre—certainly, that would be able to give you indication as to whether that centre was conforming with standards in regard to care, staff ratios, type of food provided, safety, etc., but how would spot audits assist day care staff, as in the departmental day care staff, in

determining whether dollars are being used for the care of the children or whether those dollars are being siphoned off for profit?

Mrs. Oleson: The spot audit would check their licensing, would check their operation of the centre, check what meals were being offered, generally the operation of the centre to be sure that the children are getting the care that they were supposed to be getting.

Mr. Jay Cowan (Churchill): I have a few brief questions to the Minister with respect to northern day care services, and would start out by just asking her generally, where does the provision of day care services in northern Manitoba fit into the Government's list of priorities with respect to day care.

Mrs. Oleson: That was one of the main reasons for calling together or putting together a task force was to study rural—and that would of course include northern—day care, to see if we will get some information on how we could best serve the needs of the people in the North. That was going to be partly addressed by the funds that the federal Government had in their day care plan, but of course that did not go through before the election unfortunately. So we will have to see for the future whether that is reintroduced or not. I am sure it will be, and there were funds in that.

No, that is one of the priorities, to have a look at the delivery of child care outside of the City of Winnipeg. We are interested, of course, in the City of Winnipeg, but to address the concerns of people in the rural and northern areas. I appreciate, of course, the Member being from a northern area, he may be able to give me some ideas of just what the needs are there himself.

* (1510)

Mr. Cowan: I am looking quickly at the list of providers and parent advisors that are named to the Day Care Task Force, and see one from the Ma Mawi Wi Chi Itata Centre as being the only one who I would recognize as possibly being from the North. I would ask the Minister then, without trying to research it carefully because I have only looked at it very quickly, if there are others in that group who would be from northern Manitoba.

Mrs. Oleson: The task force intends to do some travelling and visit other points outside of the City of Winnipeg, so they would be able to get some input from the North on that, and they would make a special attempt to hear the views of those people.

Mr. Cowan: The question was a bit more specific, and that was—what participants on the task force are from northern Manitoba?

Mrs. Oleson: The furthest north it goes is Parklands. That Member, I am sure, would have some input to do with northern Manitoba. I recognize it was hard to put together a task force that covered every facet, and I do recognize that there will be some input from the North, and I am sure that we will find a way to get it.

Mr. Cowan: Is the Minister satisfied then, with the situation that would have no direct participants, if I understand her correctly, on the task force from northern Manitoba?

Mrs. Oleson: We cannot have complete representation on a small task force. I do recognize what the Member is saying but there can be input and that is the important thing, to get the input from people as to how they see day care in the province, and how they think it could be improved. So, as I said before, we will certainly be encouraging input from all parts of Manitoba.

Mr. Cowan: Is it too late to have representation from the North appointed to that task force?

Mrs. Oleson: The task force is already meeting and commencing their work, but as I said before there is certainly nothing to prevent input. If the Member wants to give me a name of someone who they could contact directly for advice on how or where to have a meeting in the North or anything else, I would be glad to hear from him.

Mr. Cowan: What does the Minister see as the value of having someone representing the private sector in day care participate as a member of the task force?

Mrs. Oleson: We wanted to get a cross-section of the different types of day care centres and that is one of them. I could say to the Member, if he thought it would be useful that if he would like to suggest someone, we could investigate adding someone from the North to the advisory group, if that would be helpful.

Mr. Cowan: I would ask the—I appreciate that last comment and we will discuss that a bit further in a moment. I would ask another question of the Minister then. What does she see as being the value of having someone who specifically is identified as representing the rural community being a participant on the task force?

Mrs. Oleson: The rural problems were one of the ones that we identified and we want to have somebody from the rural area on the task force to ensure representation.

Mr. Cowan: What special problems does the Minister perceive to be facing northern child care centres?

Mrs. Oleson: I probably cannot answer specifically because I do not have the advantage of having lived in the North, but I would perceive one of the problems would be small communities, it would be similar to southern rural communities where size of the community to facilitate a day care—Added to that, of course, would be the immense distances, and so forth. There are all kinds of problems that perhaps the Member would like to identify for me that I may not have thought of.

Mr. Cowan: But those are the problems that jump to mind specifically when I ask a question of the Minister. Is that the case?

Mrs. Oleson: There are also the problems of getting someone to an area where there is training, there is

the cost of travel. There are a great many things, of course, that enter into it.

Mr. Cowan: Is it the intention of the Minister that the task force, when it comes forward with its report, would address those specific problems in some detail and in a comprehensive fashion?

Mrs. Oleson: Yes, I would expect so.

Mr. Cowan: I do not want to belabour the issue, but I do want to make a couple of specific points and then see if I cannot firm up a commitment from the Minister with respect to the actual task force itself. One is, while rural and northern communities do share some characteristics, each of them have problems that are different from the other. You cannot lump northern communities in with rural communities in a task force or a report, and expect that you will be able to, in a general fashion, address all their specific problems with the same general approach. You have to firstly, therefore, identify what the specific problems are for each of the types of communities.

I am not going to attempt to address the problems for rural communities but I would imagine that the rural makeup of the province is much similar to the northern make-up, in the sense that there are different types of communities in the rural part of the province. There are some very small communities, there are some larger communities. There are some communities that are based entirely around agriculture. There are some that are based less so around agriculture.

In the North you have even starker differences between the different types of communities, because you have what Thomas Berger talked about, a frontier and a homeland. You have homeland communities which are your traditional communities, which are primarily Metis settlements, Northern Affairs communities and Indian reserves. You have your frontier communities which are your industrial communities, which are those that are located in and about an industrial activity, whether it be mining, hydro-electric development, or a port.

Those communities have very different needs and would benefit by very different approaches to their specific problems. Although some general approaches may address some of their more general needs, you will have to break any recommendations of the task force and any solutions coming out of the task force down into more detail to address the more detailed problems.

You also within those communities have some major differences as well. When you talk about the industrial communities, you have communities that are quite large by comparison, Thompson, Flin Flon and The Pas. You have communities that are quite small by comparison, which would be communities in my own constituency, such as Lynn Lake, Leaf Rapids, Churchill, Gillam, Sundance, which is a community of a temporary nature but should be included in any review of child care needs at this point in time. So you have those differences that have to be taken into consideration.

When you move over to the traditional communities, you have Metis communities versus Indian reserves, which are totally different in respect to governance issues and also responsibility and jurisdictional issues with respect to the provincial, federal and the local self-governments. You have large reserves and small reserves. You have reserves that are in some instances larger than the industrial communities, such as Split Lake, and you have reserves that are quite small, such as Tadoule Lake or Lac Brochet.

You then have reserves that are connected by the road and you have reserves that are not connected by the road. Until recently, you even had one reserve that did not have an airstrip, although that was rectified a couple of years ago. The point I am trying to make is that because of their location, because of the infrastructure, the transportation infrastructure particularly which serves them, they have very different needs and will demand very different responses to those needs. The point I am trying to make, therefore, is that there should not be just one Member from the North on the task force but there should probably, at the very minimum, be two Members from the North, one representing the industrial communities in the North and the other representing the remote or traditional communities in the North.

I am not as familiar with the structure of the task force as are others in this room, particularly the two critics. My colleague, the Member for St. Johns (Ms. Wasylycia-Leis) has indicated to me that the suggestion of a participant on the Advisory Committee would probably not be as useful as it would be on the task force itself. I am going to let her go into that in more detail. I do want to very strongly recommend that there be two representatives from northern Manitoba appointed as soon as possible to the task force, at the highest level of decision-making on the task force. However it is structured, they should be at the highest level. I say that because they will bring considerable insight and I would hope very substantive suggestions as to how to improve child care in the North.

I do not believe there is anyone in the room that would disagree with me when I say that child care in the North is probably underdeveloped in comparison with other parts of the province. It is an area that the previous administration was trying to grapple with and I think making some progress. Although while we were able to accomplish a lot, there is much more that needed to be done. We were working on the answers to some of those more specific problems. In order to carry on that momentum, it is my strong recommendation, I would hope to have a firm commitment from the Minister that at least two representatives from northern Manitoba be appointed to the task force at the highest level.

I want to, in supporting why I think that is necessary, relate to the Minister my own involvement, limited as it was, with a day care in a community that probably would not have had a day care unless there was some very aggressive action on the part of the community itself, and I think some aggressive action on the part of the province in responding to that. I want to tell her how that has changed that community a bit. I am talking

about one of my favourite communities. I guess when you represent an area with over 16 communities, one should not pick out one as a favourite but I do have favourites for different reasons. I have to tell you that with 16 communities, I have 16 favourites.

Mrs. Oleson: I do in my constituency, too.

Mr. Cowan: I am certain that we share that strength and that failing, both the Minister and I. But there is one that I think very much about because the needs are so pressing and the community is trying so very hard to meet those needs and that is South Indian Lake, a community that has been disrupted by hydro development in the past, a very strong community, a community that is becoming stronger over time.

It was a number of years ago that the community decided they wanted to put a day care in place. Because of the nature of the community, they had to go through all sorts of trials and tribulations in trying to meet criteria. I have to compliment not only the previous administration, which I am prone to do, but I also have to compliment the staff who were involved in that as well because I think they worked very hard to make certain that this community was able to develop a day care co-op for itself. They did that over the period of a year. I believe it took about a year in total from start to finish, probably a bit more if one talks about the preliminary talks when it was just an idea. From the time the community actually started working and developing and designing the proposal and incorporating the co-op to the time they actually opened the door, it was probably about a year.

That community, because of that day care, has begun to take on a different approach to child care issues in the community. I think that it is serving the residents of the community very well. I think it is also providing an educational component to community life that starts children early, motivates them towards their school activities and makes certain that they have a bit of a—and I am probably using a trademark name—head start by the time they get into school. It also relieves some of the pressures on the families in the community, a community which has had far too many pressures as I have said before, because of the dislocation resulting from Hydro development in the area.

The individuals in that community, and I think it was probably if not a pilot project, we probably treated it that way in the first instance in order to get it off the ground. It was certainly a model for similar day care co-ops or day care non-profit centres in other communities throughout the North.

What is unfortunate is we probably have not used the model enough as a way to encourage other communities to form those sorts of day cares. So what I would like to see happen and I will not give the Member a name, but I would like to see somebody from that community who was involved in that day care, particularly one of the community residents, participate in the task force because I believe they can bring some good insights and suggestions based on actual experience that would help other communities in the North of following their model.

There is also another day care co-op in one of my favourite communities and it is in an industrial community, that is Gillam. The Minister will note that I am referencing possible participants and representatives from my own constituency. There may be others in northern Manitoba that would merit consideration as well, but she asked me for some advice and I would suggest that there are some very strongly committed people from the day care co-op in Gillam that could also be one which could sit on that task force.

Again, they face some different problems from other communities, certainly different problems than the South Indian Lake community did and they have developed some expertise and some experience which could be helpful to others.

So my first question following that introduction to the Minister is: can we have from her a firm commitment that she will have participants from both traditional communities in the North and industrial communities in the North, one from each, involved with the task force as full members of the task force at the highest level of research and decision-making?

* (1530)

Mrs. Oleson: I can say to the Member that I can take it under consideration, that I will consider it. I also would undertake to write to the Chair of the task force and indicate to her to make sure that the task force goes to a northern community—at least one. I would not limit it to one, as many as they possibly can of the northern communities to hear the views of the people. I was interested in the remarks of the Member, he pointed out of course the difficulties in dealing with child care in the North very succinctly and I was interested to hear that.

I will be interested to have a look at the one he is referring to in South Indian Lake, I believe he said, the model that community used for setting up a child care co-op. As the Member knows, the main initiative has to come from a community in any venture like this because that is what makes it go. The community has to be dedicated to what they are doing and willing to put a lot of time and effort into it to make it go. That is really, I guess, the very bottom line of most things in any community. It has to have community involvement and the will to make it work and that is what makes it work. But I will tell the Member that I will consider his proposal.

Mr. Cowan: Mr. Chairman, there is under consideration—and then there is under consideration—and that is why I phrased my question very definitively and I appreciate the distance that the Minister has gone to indicate that she will now take it under consideration, but I want to, in a gentle and a helpful way, perhaps pursue this a bit further. What reasons would the Minister have for not appointing an individual from the traditional North, representing traditional communities in the North, an individual from representing industrial communities in the North? I guess perhaps I can understand better her hesitancy

to give an immediate answer if I knew what it was she was concerned about with respect to an affirmative response to a very reasonable request.

Mrs. Oleson: I have to think of the parameters of the costs and so forth of the task force and I would like to discuss it with the task force chairperson and so forth. I certainly have nothing against the people he is recommending and as I said I cannot really give him a definitive answer. I think he should be aware of that, that I will take it under consideration.

Mr. Cowan: I appreciate the answer but I am aware that the Minister can give a definitive answer.

Mrs. Oleson: I cannot really give him a definitive answer. I think he should be aware of that. I will take it under consideration.

Mr. Cowan: I appreciate the answer, but I am aware that the Minister can give a definitive answer. The Minister could say, yes, I am going to do that.

The cost is going to be a factor. That is what always mitigates against the North and the rural part of the province is that the cost of getting there, the cost of bringing people in is always a problem. Therefore, it takes some special commitment on the part of the province, the provincial Government, the federal Government, any level of Government, to ensure that the interests of the North and the interests of the rural communities are considered and dealt with when task forces of this nature undertake a particular project. So, I do not accept the cost factor as being a major problem.

Mrs. Oleson: It is one.

Mr. Cowan: The Minister said it is one factor, and she gave me two. I think I see her agreeing that cost should not be a major consideration. I would suggest to her that there is a cost of not doing it, which should be a major consideration. When one deals with cost, one also has to deal with—I will use an economic term here and I hope it fits—lost opportunities.

When you have a task force that is set in place to undertake the type of research and review that this task force has been mandated to do and when you go through all the effort and the expense, because there is an expense involved in the task force to set it up in this way, you want it to come forward with the best report possible. You only get one kick at the cat when you do this sort of task force, because you cannot continually redo them, although I note there have been a large number of task forces on day care in the past.

One would hope that this one, now that we are into it, would come out with some very definitive recommendations. If you do not have Northerners involved, I think you would be doing a disservice to the work that the task force is supposed to undertake and a disservice to the North.

I know the Minister would be extremely upset if there were not rural members on that task force. I know that she would probably—let us switch positions here. If I were in her position and she were in my position, I

know she would probably be harder on me than I am being right now if there were not rural members on that task force. She indicates that she probably would and—you know what?—she would be right and I would be wrong in that instance. I may not admit I would be wrong and I may not admit she would be right, but I think history would show that she would have been right and I would have been wrong.

I am also concerned that there is not a strong northern component of that task force. I think, by not having it on the task force, something is going to happen. Either you will not have the North fully considered in the work of the task force, or you will have some forays into the communities by the task force which really cannot give them the type of information and knowledge that they require about the special needs of the North. You will come back with a product that, while it is not completely ignored, it is only half considered by not having someone on the task force at every point in time talking about the North.

I make the example that until I came in here to talk about this day care task force—and perhaps we have just started talking about it—I do not believe anyone had addressed the northern issues. The reason I do address the northern issues is because I am very familiar with them and I am here to represent my constituents who are Northerners. I come in here with a special bias and with some experience and limited expertise in the field.

Your task force is like this group here. Unless you have someone on that task force who is there speaking out for the North with experience and expertise, you are going to miss some of the northern issues that should be discussed and dealt with. You will not have the appropriate focus. You have very good staff who will provide assistance to a task force, but they will not be able to give you the same sort of experience as that mother in South Indian Lake who laboured long and hard and went up against a lot of barriers and sometimes argued with me from time to time to make certain that the special needs of their community were addressed by their own day care co-op. You will not have that experience from the same mother in Gillam or whatever communities in the North you chose, because I think as long as you had two on there, you would be meeting the criteria which I would hope to see addressed, and that is looking at both the industrial and the traditional communities in the North and their needs.

It is necessary because one of the questions I get when I go into the communities is, when are we going to get some day care? I have said, as a previous administration, we had accomplished a lot. Well, perhaps we did not accomplish as much as we wanted to, I can guarantee you that. There still is a lot of unmet need.

So I would ask the Minister, now that we have ruled out cost as a major consideration, if the other members of the task force were vetted first with the task force chairperson before they were appointed.

Mrs. Oleson: No. I should have added that the Member should realize, of course, that these are Cabinet

appointments. I could not unilaterally say that so and so or anyone or so many people were going to be added to the task force because it would have to go to Cabinet.

I should also remind the Member that it was very difficult, shall we put it that way, to get a representation from every area of Manitoba and every group, so there may be others who feel that they should be on as well. But I will take it under consideration. That is pretty well the best I can do for the Member today because, as I remind him, they are Cabinet appointments.

Mr. Cowan: Not wishing to belabour the point, I want to make just a couple of more points then. We have ruled out cost as being a major consideration. We have also, I think, agreed that there is a cost to not having someone from the North on there that has to be considered with respect to lost opportunity.

Just one final point on that, you will have to get that input from the North sooner or latter.

Mrs. Oleson: Of course, we intend to.

* (1540)

Mr. Cowan: You will have to, so you might as well do it now when you have got the structure in place and the efficiencies of a task force available to you, rather than try to go and get it in an ad hoc method later on. I think there is a major cost to not proceeding with the suggestion.

We now know that the task force chairperson was not involved or at least the names were not vetted with the task force chairperson when the original appointments were made. If there was an oversight without someone from the North on there, it should not be necessary to vet them with the task force chairperson again, so that problem has been dealt with.

Mrs. Oleson: Mr. Chairman, I did not mean that I would have to vet the names with the chairperson. What I meant was I would have to discuss with her additions of any kind or changes to the task force because she is the chairperson. I did not mean I would have to run the names past her to see if she liked them. That was not what I meant.

Mr. Cowan: I understand then the Minister is saying that she would not feel comfortable going to the chairperson of the task force and saying, I am sorry, when we put this together—

Mrs. Oleson: I did not say that. I said I would discuss with her any additions that would be made.

Mr. Cowan: The Minister indicates that she did not say that. She would discuss with her any additions. My assumption is that she would go to her and say, look, there has been an oversight that has been brought to my attention. I would like to have two people from the North on there. I cannot possibly see the task force chairperson taking offence at that. I do not know the individual to the extent where I could say that

categorically or definitively, but I cannot see it being the case. So that one has been ruled out as a problem.

Cabinet appointments, yes, task forces are appointed by Cabinet. So I guess I am going to rephrase my question to the Minister. Is the Minister prepared to recommend to Cabinet strongly that two representatives from northern Manitoba, one from the industrial communities and one from the traditional communities, be appointed to the Day Care Task Force to take into account all of the considerations which we have laid before the committee today?

Mrs. Oleson: I will certainly discuss it with my colleagues in Cabinet.

Mr. Cowan: This is not going as well as I thought it would.—(Interjection)— Well, the Minister says, with my experience, I know what answers you can give and what answers you cannot. Yes, I do know what answers you can give and what answers you cannot, and I know that you can say, yes, I will recommend this strongly to my colleagues. I know that you can say that. That is an answer that is within the mandate of any Minister sitting in the committee. As a matter of fact, she has in the past demanded of Ministers in other Governments that they give that sort of assurance, and in some instances they did and in some instances they did not. She shakes her head, yes, that was the case. So we are both speaking from a common base of experience here, and that experience tells us that she can make that recommendation. So I am going to push for that commitment knowing full well that, if I do not get it, that in itself is a statement. That in itself is a problem.

But having said that, the Minister indicated earlier that she would recommend that the task force—well, first, she said the task force is going to do some travelling. I took from that an assumption that it would be travelling into the North. She then said that she will specifically write to the chairperson to ensure that it does travel into the North. At that point, she said, into a northern community, and then she corrected herself and said, not just one community. I would ask the Minister then which communities she would recommend to the task force they visit in the North.

Mrs. Oleson: I would ask the task force to take a look at and visit those communities that they could. It would be very difficult for them to visit every community. The Member has made a couple of suggestions today that they could very well be the centres they choose, but I have to leave these things up to the task force to decide on their agenda and what they can fit in in the short time made available to them to perform this duty.

Mr. Cowan: I did mention two specific communities and I did not, by having not specifically mentioned the other communities, want to imply that I did not have a whole number of other favourite communities in the North, so I am going to put them on the record. I will sound like a travelling—

Mrs. Oleson: Travelogue.

Mr. Cowan: —road show, or perhaps a long list, I will sound like a conductor reading out a long list of stations

although not all of them are on the rail line. But I know there are needs in all these communities. I am speaking only on behalf of my own constituency so, rather than read into the record all the different names starting—maybe I will do it anyway, it makes me feel better. But there are needs in Tadoule Lake, there are needs in Lac Brochet, particularly in Tadoule Lake and Lac Brochet, communities that are not well serviced by agencies to begin with, and they have special needs that have to be dealt with along with the community of Shamattawa, which are really quite isolated and remote and have all sorts of potential that could be fulfilled by a cooperative development of child care in those communities.

There is Churchill. Gillam has day care but they want more spaces, and I am certain the Minister has been made aware of that. There is Ilford, there is Pikwitonei along the rail line that could possibly use some child care facilities. When I mention those communities, the last two particularly which are quite small communities and sort of a mix between a Metis community and an industrial because they are rail line communities, but primarily Metis and Indian people live there. Those are communities that could have a somewhat unique approach that would be a different model than what we already have in place. It might be even more cost-efficient to meet some of their special needs. So we are not talking about the standard child care centre there. We may be talking about something innovative and much more responsive to the actual needs of the community. In Lynn Lake and Leaf Rapids, I had constituents come to me and ask for day care spaces in those communities.

There are communities like Granville Lake and Split Lake and York Landing that require child care facilities. There are communities like Bird and Sundance that require child care facilities, although Sundance is a community that, if the Government does not proceed with Conawapa, it may not require all those child care facilities for all that long. It would be nice, while they are still quite active with Limestone, to have something in place there. The Minister of Education (Mr. Derkach) here is aware of some of the special needs of children in Sundance with respect to the school year and how the circumstances of that community sometimes make community residents think of different and innovative solutions to some of their needs, and also of course is the Government to consider those. I am certain that they could be taken into account with any sort of program.

Those are the communities in my own constituency, Granville Lake being another small one. I hope I have not missed any. If I do, all due apologies to them, in keeping a list of them as I went through, all due apologies to those communities. Those are the types of communities that in fact could benefit by some very progressive and reform-oriented recommendations coming out of this task force.

Having had that on the record, I know that the task force cannot go into all the communities but I would hope that it would be able to go into at least a very good cross-section of communities in the North. I am not certain how many communities in the rural area

that the task force is intending to visit. Maybe I should ask the question of the Minister. Does she know as to their schedule there or does she have any recommendations that she is going to be making to those communities?

* (1550)

Mrs. Oleson: The task force is going to be getting together next week to start to set up their schedule. They have not indicated to me exactly where they are going. They will be going into rural communities and, as I have indicated before, into the North. They hope to get a good cross-section of the province. I am sure that Member is aware they cannot visit every community. There are a lot of communities in my constituency I would like them to visit too, but they probably will not because of time constraints and because they cannot be everywhere. They will visit and, in the southern communities, it will be easier for people to travel to one major centre perhaps than it would be in the north area. I can certainly recognize that. They will be drawing up a schedule of where they will be visiting. I do not know whether they will be communicating that to me immediately but they will be setting up their agenda.

Mr. Cowan: Could the Minister then commit to forwarding to our critic, as soon as that schedule is available, a copy of it?

Mrs. Oleson: Yes, I could do that. There will be advertising, hopefully, in adequate time so that people will be aware too as to where they are going. But I could do that.

Mr. Cowan: Then just to tidy up the discussion generally, there are the needs, they are different needs, some are the same, but there are different needs. The Minister has mentioned some of them, training being one of them that is probably becoming more predominant as a need over time. But the other is just developing a system of child care that is reflective of the needs of the communities and the cultural aspirations of the people who those centres are designed to serve. When I say cultural aspirations, I mean those of both populations of traditional communities and industrial communities. There is going to be a need for a special response because the needs are so special.

I do not believe the committee will be able to fully consider, address and hopefully resolve those needs unless it has representation on it at all times at the highest level of decision-making from the North. So I strongly, strongly urge the Minister, when she is taking that request under consideration, to do it from as positive a bias as possible.

I expect to hear back from her as to an affirmative action on her part with regard to including Northerners on the task force, which leads me to my last question unless the answer provokes further—and I do not think it will. That is, when can I expect to hear back from the Minister with respect to northern representation, because I will be wanting to encourage my constituents to make known to the Minister what I know to be their

commitment, their dedication and their interest in this area, and encourage her to make those appointments. I would like to be able to know when that action should take place.

When would I know from the Minister as to whether or not she was able to successfully overcome the last barrier, the only barrier I can see now, and that is to convince—and maybe it does not need much convincing, maybe they are already ready to act—her Cabinet colleagues that you should add two more people to the task force so that, when you have the next to last line of the News Service release dated September 14, 1988 redone, it will read: "The task force and advisory committee memberships represent the public, private, family, rural, northern workplace and native child care communities equally." I think that is important. You just cannot lump the North in with the rural, as seems to have been done in this instance, knowing that they both have very special places, playing to the own particular biases of the Minister and the MLA here, and they do deserve special responses. When will we know?

Mrs. Oleson: I cannot give you an exact day or an hour, but I will undertake to discuss it with the colleague.

Mr. Cowan: Soon?

Mrs. Oleson: And soon would be a good answer, yes.

Mr. Chairman: Shall the item pass?

Ms. Gray: Mr. Chairperson, again some clarification for the task force, has someone from the Manitoba Child Care Association, is someone represented on the seven-member main task force?

Mrs. Oleson: Mr. Chairman, there are three members of the MCC on the task force. The chairperson is on the task force.

Ms. Gray: Again for further clarification, are these individuals though representing any of the three? Are they representing the Manitoba Child Care Association, or do they happen to be members of the Manitoba Child Care Association?

Mrs. Oleson: It was indicated to them that they are on as individuals. They are not exactly representing that particular organization, but we wanted to get representation from that organization on it. They are not specifically representing the views of that particular organization. They will be representing their own views.

Ms. Gray: Mr. Chairperson, the Minister is then saying that the Manitoba Child Care Association as an association is not represented on the task force?

Mrs. Oleson: Mr. Chairman, the task force was not set up with specific representation. None of the other child care associations are represented on the task force either specifically as that group. There are people representative of the whole spectrum of child care.

Ms. Gray: Is any individual member who has experience working in the family day care situation represented on the task force?

Mrs. Oleson: Yes, they are.

Ms. Gray: Are they representing the family day cares in Manitoba or the association?

Mrs. Oleson: It was not indicated to them when they were asked to be on the task force that they were representative of any particular group and spoke for that group. They are speaking for themselves, but in order to get a representation we wanted to have people from the various forms of child care.

Ms. Gray: Would it not seem logical that for two large associations who represent child care and have been very active in regard to membership and have been very active with the day care office in terms of having regular meetings and they lobby with the Government and are certainly the voice of child care centres across the province, some profit and non-profit centres, that in fact that association, both associations not be represented on the task force? I fail to see the logic of not having task force representation from these associations, i.e., that they would be there to represent the associations.

Mrs. Oleson: You cannot separate them and tell them not to represent, but there are representatives of those associations on the task force.

Ms. Gray: Again to clarify then, when I had made earlier comments in Estimates regarding if these associations would be represented, in recalling the Minister's comments, she I think seemed to indicate that I would not be disappointed with the results. Then what she is saying is that these associations are not represented on the main task force.

Mrs. Oleson: They are on as individuals and represent, but as I said before, you cannot separate them from their association. They come with their qualifications and their expertise and their knowledge because of their activities in the day care field or on that association, so there is representation from those groups that the Member mentioned, but they come to the task force as individuals.

* (1600)

Ms. Gray: Is it the expectation that these task force members that we are speaking of would solicit ideas and suggestions from their respective associations to bring to the task force?

Mrs. Oleson: It is entirely up to them.

Ms. Gray: Then in effect these people are representing the associations and could very well be on the task force to represent the association views.

Mrs. Oleson: No, they will bring to the task force their expertise. They were selected because they were involved in either providing day care or on an association, but they come as individuals. As I said before, you cannot separate it out. They will bring the views of their association, of course, and they will also

bring their own views. We are looking to what people we have selected to be on it, good representation of the various aspects of day care, whether it is family or public or private.

Ms. Gray: If the Minister is indicating that it is hard to separate the individual views and the views of the associations of which these people are part of, why then was it indicated to these particular members that they were there on the task force as individuals but not to represent the association, when the Minister said that it really is hard to separate them out?

Mrs. Oleson: I said they were put on as individuals. I did not say they were told not to represent the associations they belong to. They certainly will bring with them the feelings of their association but they are named on them—the task force—as individuals.

Ms. Gray: The Minister then would not have a problem if the expertise and views of these particular individuals on the task force reflected the position and views of the particular associations with which they are involved?

Mrs. Oleson: That is entirely up to those individuals how they want to approach the job of the task force. They can represent only the views of the association they happen to belong to or they can represent their own views. It is entirely up to them.

Ms. Gray: Could the Minister tell us, have the quarterly meetings with the Manitoba Child Care Association and the day care office, are they continuing on?

Mrs. Oleson: Yes, they are.

Ms. Gray: A clarification, these meetings, I understand were held on quarterly basis so that they have continued on and the September meeting was held?

Mrs. Oleson: Yes, the September meeting took place.

Ms. Gray: Going back again to the preschool program at the Society for Manitobans with Disabilities, does the Minister feel that these types of programs for children with special needs warrant a priority with her department and that these programs should be expanded because of the high waiting list that are currently at the SMD in regard to entry into some of the specialized preschool programs?

Mrs. Oleson: The society has not asked to expand. They generally support the integrated approach and they do want to give people some choice.

Ms. Gray: My understanding from the society is that although they feel there are some benefits to integration, they have a lot of concerns that children would be totally integrated into mainstreaming day care and that the very special and complex needs of these children would not be met. Their feeling is that there is a move to totally integrate all children and that some of these specialized programs are not considered a priority and may not be supported by this Government.

My question then, because of these concerns or feelings that the society has, can the Minister assure

us today that she sees a need in continuum of services in day care for children and that part of that necessary continuum is to provide special need services in the form of specialized day care for these children? That is part of the continuum and certainly integrated day care would be another part of the continuum.

Mrs. Oleson: Yes, I agree with the Member. It depends a great deal on the needs of the child. It will be very difficult for some children to get the proper care they need—have all their needs met, that is what I am trying to say—in an integrated day care. It will depend a great deal on the needs of the child.

Ms. Gray: I understand that when the previous administration was in power that a review was conducted in regard to preschoolers and special needs and this review was conducted through the Department of Community Services with the Society for Manitobans with Disabilities and with a number of other individuals as well. Is the Minister aware of this review and does she have the results of that review?

Mrs. Oleson: The group mentioned the review when they met with me and I will be looking at it again when I meet with them later.

Ms. Gray: Have any of the recommendations of that review been implemented by the Department of Community Services?

Mrs. Oleson: I understand that informally there are actions that have been taken in the spirit of the review, but no formal actual implementation of the review has taken place.

Ms. Gray: The Minister has indicated she will be looking at this review. Will the Minister be making some decisions as to what should be the results or consequences of the recommendations of the review and whether they should be implemented?

Mrs. Oleson: I will be discussing that with the society when I meet them later this fall.

Ms. Gray: Does the Minister have information as to what the current waiting list is for children wanting to enter day cares?

Mrs. Oleson: We do not have a list of numbers of children or parents wanting spaces at the moment. They are kept within each centre and we do not have that information for the Member. We have a list of groups wanting spaces funded but we do not have the waiting list number right now.

Ms. Gray: Has this Minister had that information at all in the last four or five months as to what the waiting lists are in day cares?

Mrs. Oleson: Mr. Chairman, yes, I have had an estimate at different times, but it changes from time to time. Some people will put their name on more than one list so it is hard to get an accurate reading at any time unless you had all the names. That would be quite an undertaking.

(The Acting Chairman, Mrs. Gerrie Hammond, in the Chair.)

Ms. Gray: Madam Chairperson, could the Minister then give us the approximate waiting list, the estimates that she has or give us the range that she is aware of?

Mrs. Oleson: Madam Chair, we have run a survey on that just in the last few days for those numbers, and perhaps next week we could the Member that information.

Ms. Gray: Thank you.

Go ahead, Judy. Fire away.

Ms. Judy Wasylcyia-Leis (St. Johns): Madam Chairperson, a few questions first on the task force to take off where my colleague, the Member for Churchill (Mr. Cowan), left off, I think the Member for Churchill has every reason to be concerned about the assurances of the Minister that an additional membership to the advisory committee would suffice. I am concerned that given the lack of specificity from the Minister about the role of the advisory committees in response to questions from the Member for Ellice (Ms. Gray) that we cannot be assured at all that the advisory committees will be a fully integrated part of the whole task force.

Could the Minister give us some idea, when she announced the task force, why she announced these two advisory committees? Did she have any inclination about what role they might serve other than to simply let the task force decide?

* (1610)

Mrs. Oleson: Their name indicates their function. They are advising, and they will be meeting with the main task force and discussing the issues. They may very well go to some of the hearings. The task force group are charged with setting up just the exact format of how they are going to operate. They will certainly give a role to the advisory group. They will be wanting to have their input on all the subjects that come up to them because of the expertise that they bring with them because of their experience. We feel we could get a much better report if we had that form of advice. Because we chose to have a small nucleus as a task force, as a main working group, we felt that we would be too small a group to get the full scope of advice in all matters. We also appointed this group from parents and from workers and providers so that we get as rounded as possible an approach to the whole subject.

Ms. Wasylcyia-Leis: What system of remuneration has been worked out for the work of both the task force and the advisory committees?

Mrs. Oleson: The task force members have a per diem. Of course, they would have also expenses of travel and so forth so that they would not be out of pocket.

Ms. Wasylcyia-Leis: Do the advisory committee members have no costs covered?

Mrs. Oleson: They would have costs covered but not per diems.

Ms. Wasylcyia-Leis: Could the Minister clarify what costs would be covered if they are not receiving per diems? I am certainly confused about the last answer. What costs would be covered and why are not per diems for the advisory committee members covered?

Mrs. Oleson: The meals and mileage and so forth would be the costs covered. The task force members themselves have a far structured commitment time-wise to this. They are asked of course to put in a great deal more time so they would be paid per diems.

Ms. Wasylcyia-Leis: I think the Minister has just reinforced the arguments presented by my colleague, the Member for Churchill (Mr. Cowan), for inclusion of northern representation on the task force. Given that there has been no structured role for advisory committee members, given that per diems will not be covered, given that there is no real demand or incentive placed upon advisory committee members for meeting and inserting their views into the process, it would seem even more critical that the Minister follow through on her fairly evasive commitment today of following up on the request for northern representation on the task force.

Related to the task force, the Minister has said she will pursue the question of travel and provide both critics with an itinerary of the task force. Could the Minister indicate whether or not the task force has been given a budget for research or a researcher on staff as part of her existing staff or provision for the task force to hire a researcher in order to do in-depth analysis and research in this whole area?

Mrs. Oleson: We will have staff on secondment for research and they also have money for expenses.

Ms. Wasylcyia-Leis: Has the task force been given a clear mandate to research all the broad concepts in the day care field, including the fundamental questions pertaining to profit and non-profit day care services?

Mrs. Oleson: They will have a broad mandate and they will have access to information from the department, and have access of course to expertise from the department when they need it.

Ms. Wasylcyia-Leis: Given the changes already made by this Government in the direction of Government funding to profit centres and profit day care providers; and given answers previously provided by the Minister in this area, answers which suggested that the Minister had not perused the literature in the field, had not consulted with consultants who had done extensive research about the feasibility and the advisability of Government assistance to profit operators, to commercial operators, is the Minister now prepared to give a very specific direction to the task force to ensure that this area is thoroughly researched, thoroughly analyzed and as much comparative data done as possible?

Mrs. Oleson: They have been asked, as part of the terms of reference, to look at standards and regulations to guarantee a safe and healthy environment for children, and that are clear to administrators and operators and applied in a fair and reasonable manner. That could cover what the Member was asking about.

Also, the Member mentioned studies that had been done and so forth. I have indicated before and I indicated to the task force and the advisory groups when I met with them yesterday that what we wanted was an overview because the day care system has been in place a while and we have had varying views expressed and concerns raised that this would be a good time to take a look at where we are, where we should be going and how we are serving the needs of people who require child care in the province. In looking at that, the other studies that have been done will be very helpful to the task force but they also will want to hear the views and hear first-hand what the people who use the service have to say about it.

Ms. Wasylycia-Leis: That is all fine and good, Madam Chairperson. However, in all previous lines of questioning around the basis upon which this Government and this Minister has made a major shift in policy, has embarked upon a new direction in the day care field, the Minister has always responded that the task force will look at those fundamental questions. Now the Minister is telling us today that no specific directions have been given to the task force to study the current literature in the field or to embark upon original research in the field with respect to the fundamental questions of feasibility and advisability of embarking on such a major shift of going the route to Government assistance, Government funding of commercial private or profit operations.

I would ask the Minister if she is prepared to give us any assurances today to back up her general statements of previous Estimates sessions that this task force will be asked specifically to carry out research in this regard, to study the literature, to do comparative analyses, to do its own original research, to put before the people of Manitoba and put before the Legislative Assembly all the facts pertaining to such a critical, fundamental change in direction?

* (1620)

Mrs. Oleson: Maybe it would be helpful for the Member if I went over the terms of reference for the task force with the Member, and just reviewed with her what the task force is requested to review and report on. They are requested to report on the:

- a) means to provide day care to rural and part-time users in a flexible manner;
- b) standards and regulations to guarantee a safe and healthy environment for children that are clear to administrators and operators and applied in a fair and reasonable manner;
- c) child care workers and administrators' responsibilities and means of reporting cases of child abuse;
- d) the functions and responsibility of parent boards;

- e) the content of training courses, the process of achieving specific levels, access to training courses, and certifications by the provincial day care office;
- f) requirements of special needs children and those providing care for special needs children;
- g) the means of funding day care centres, including grants and subsidies, fee structures and the occurrence of surpluses and deficits;

I would unquote for a moment and remark to the Member that should cover her concerns about whether or not the task force will be studying grants, subsidies and fees. That is one part of the terms of reference. I will go on and quote:

- h) the current Government policy of capitalizing day care spaces in renovated and new school construction;
- i) the criteria for determining the need and distribution of new day care spaces.

All those things will be undertaken and considered by the task force, so that the Member need not be concerned that they will not be looking at subsidies and fees. That is part of the mandate of the task force.

Ms. Wasylycia-Leis: Madam Chairperson, the Minister has somewhat distorted the words I used. In referring to my concern I have not simply expressed a concern with respect to subsidies and fees. I have expressed a concern about a fundamental change in policy direction by this Government, by this Minister, without any evidence presented to us as Members of the Legislature or, indeed, to the broader public. None of the terms of reference listed by the Minister deals specifically with that issue. Yet, when asked previously about why the Government made this change in policy, on what research basis it could make its assertions and change policy so fundamentally, the Minister has said the task force will look at it.

I would like her to be able to tell us today that she will specifically ask the task force and the advisory committees to do a search of the available literature to determine differences between the service provided by non-profit child care services and private for profit child care services, so that we will be able to understand more fully why the Government has embarked upon this route.

If the Minister is not worried about her policy decision, if the Minister is not in doubt about why they have made such a critical change in direction, in the absence of being able to refer us to any studies, a single study, a single piece of research about this change, she would have no doubts, no qualms about asking the task force to do specifically that, not to hedge around these terms of references which do not deal one bit with that fundamental question and will not necessarily result in that kind of overview of current literature or indeed conduct original research and analysis based on child care delivery here in the Province of Manitoba. Surely she can give us today some assurances that she will ask the task force at her next meeting to carry out that survey of the literature and, if necessary, give the

task force the encouragement to embark upon original research in that regard.

Mrs. Oleson: The Member alludes to this business of having subsidies go with children as some major step out of sync with everything else in the world, and the Member is wrong. Most provinces in Canada allow money to go to private centres in respect to children. The Member herself was part of a Government which subsidized children in private centres, 200 of them as a matter of fact.

So it is not a great divergence with policy. It has been done before, it has been done in other jurisdictions so it is not something entirely new and different. It was done in response to requests of people who needed care for their children. People were having problems and needed this kind of help. I do not know what more I could do to assure the Member that the task force will look at all aspects of how fees are paid, how subsidies are paid; the whole gamut of child care will be looked at by the task force.

Ms. Wasylycia-Leis: Obviously, the Minister has no intention of answering my questions in this regard. I fail to see why it would be so difficult for her to simply make some commitment today that she will specifically request of the task force to provide her with some research and analysis of the empirical data and literature in the field about the differences with respect to profit versus non-profit child care delivery.

It smacks only of a whitewash if the Minister is not even prepared, as she said earlier, to live up to her statements previously of providing through this task force some analysis of the data in the field, some study of the research, some understanding that is based on fact, not fiction, in terms of helping us to understand this Government's new policy direction.

It simply is incomprehensible to me why the Minister is failing to give us those assurances today and it only begs the question of what is the Minister trying to hide? The Minister suggests that this subsidy going with the child is not anything new in terms of policy, both within Manitoba or across the country.

First, let me refer to the Minister's own words this very afternoon when asked by the Member for Ellice (Ms. Gray) about the breakdown of spaces being created, she referred specifically to some 500 spaces that were going to private centres, in fact, used the words "subsidies to private centres." The Minister did not refer to subsidies going with the child. In fact, whenever she is off her guard she slips into the original intentions of the program and clearly provides us with the agenda of her Government with respect to this change in policy; so let the record be clear about the intentions of this Government as expressed by the Minister herself when she talks about subsidies to private centres, not subsidies to help children, to help parents in need, but subsidies to private centres.

* (1630)

Secondly, the Minister has suggested that this is not a new direction. She continually refers to the fact that

some commercial spaces are now receiving subsidy. She always in her answer fails to mention that was a result of a grandfathered—grandparented, excuse me—arrangement that affects only those centres in continuous operation prior to the inception of child day care in 1974, that there have been no new subsidies going to commercial spaces since that period of time. I think the Minister should be a little more truthful in her answers to this committee when it comes to presenting history and going over the history of day care in this province.

Finally let it be known that, contrary to her remarks, this concept of subsidies going, in her words, to private centres is not anything new in the country. Let it be clearly on the record that all of the reporting that has been done in this field and comparative analyses carried out of this field, all of it suggests that the Governments in this country, whether provincial or federal are, with the exception perhaps of the current federal Government, and of course the policy initiated by that Government is certainly now—the future of that policy is very uncertain.

Let it be clearly stated and let the Minister clearly understand that the direction is going in the opposite, that the policies are going in the opposite direction across the country. I refer her specifically, and I would be happy to table this if copies can be made, to the Financial Post of July 18, 1988 which has the head, "Futures looking grim across the nation for commercial day care," points to trends in the country; points to, in Ontario as an example, the Liberal Government providing operating grants to all non-profit day care services; points to mixed responses in other jurisdictions and generally concludes that there is no trend going toward the application of Government funds, of taxpayers' money to commercial day cares.

Having said all of that, and given the fact that the Minister will not refer any of this broad matter, these principles, fundamental questions to the task force in specific returns, we will have to rely on the integrity of the individuals on that committee to have the foresight and the initiative to embark upon such research and to seek ways to carry out original research in that regard.

Since the Minister will not provide us with those assurances, let me ask her then—a question that I have raised before, but let me pose it in a different way—can she now table for us any studies, any reviews of the literature, any analyses, any empirical searches, any comparative studies of this area to indicate why this Government has chosen to embark upon a new direction in funding of day care, and again to use the Minister's own words of today, to provide subsidies to private centres?

Mrs. Oleson: I meant, when I said that, that it was to private centres on behalf of children, to correct the Member. I am sorry if I did not add that because that is what I had meant from the beginning and that is what I continue to mean, that we are subsidizing children of low income families so that they can have a choice in their day care centre.

The question she asked after all of that, yes, I will get back to that. The Member has an Order for Return in with regard to that, so eventually will get her answer.

The Member had indicated somewhere in all that preamble that everybody else was moving away from funding children in private centres. I wonder if perhaps her research is not up to date because I understand there is an Act in front of the Saskatchewan Legislature at present that is moving that way, moving toward funding children in private centres. Ontario is paying grants to children in private centres. I wonder if the Member is up to date in her research?

Ms. Wasylycia-Leis: I think the Minister can judge by the volume of paper in front of me that I am quite up to date in my research. In fact, I will refer to some of those studies for the benefit of the Minister's information.

The only evidence that I have been able to find that might have provided some basis of information for the Ministers and this Government's decision about such a major change in policy is a statement by the Winnipeg Chamber of Commerce indicating its support for private day care funding. I refer to an article in its most recent newsletter of September 26, 1988, where it is stated that the Chamber has always maintained that if given a chance to compete equally, private day care centres would gladly expand to fill the need and so on and so forth; as well as an article that appeared in the Winnipeg Free Press on Sunday October 9 entitled "Business of Bringing of Baby." It is an article about commercial operators here in Manitoba. That has been the only basis of support I have been able to find for this major policy change.

I would ask the Minister if she has—let me ask her if she has referred to any of the major research done in the field? Since she is not able to provide answers to the general question, let me ask her if she can answer these specific questions. Is the Minister aware of a study by the Nepean Development Consultants entitled, "Outline and Assessment of Arguments For and Against Profit-Making Social Agencies," done as a report to the Task Force on Child Care, October 16, 1984, where in its conclusions it states very specifically with a few exceptions in some areas which lack clarity, "non-profit operations seek and provide higher quality service to the community." To summarize a little more of the conclusions offered in this consultant's report, "profit operations offer society little if anything that non-profit services do not offer. There is no evidence that they are more efficient, although they tend to be more willing to cut costs even if it means a corresponding cut in the level of service."

"However, profit social services have several drawbacks. The most disturbing of these is the higher incidence of violations of standards. This alone would be sufficient for Governments to seriously question the role of profit-making enterprises in social services."

I could go on to read more of the conclusions of this paper into the record. Let me just simply ask if the Minister is aware of this report and if she took any of its conclusions into consideration when formulating her policy?

Mrs. Oleson: I have not had an opportunity to read that report.

Ms. Wasylycia-Leis: Is the Minister aware of another study entitled, "A Study on Compliance with The Day Nurseries Act at Full Day Child Care Centres in Metropolitan Toronto," a study done as recently as May of 1988 for the Minister of Community and Social Services—a study which, among other things, concludes, "commercially operated centres were less likely to meet the requirements of The Day Nurseries Act and consequently more likely to receive a more restrictive type of licence than non-commercially operated centres, that commercially operated centres were more likely to have a higher total capacity than non-profit centres, that non-commercially operated centres were more likely to have spaces that were not licensed due to lack of staff or equipment than non-commercially operated centres." The list goes on and on. Is the Minister aware of that study? Has she read that study?

Mrs. Oleson: I am aware of these studies, yes, but I think the Member should be aware that studies from other provinces do not directly relate exactly to the situation in Manitoba. We have a set of standards in Manitoba, whether it is a privately operated centre or publicly operated centre, they have to conform to those standards and regulations and anyone that gets a licence has to conform to that. So I think the Member should remember that.

* (1640)

Ms. Wasylycia-Leis: I am certainly aware of that and it is certainly one of the reasons for my persistence on raising questions in this policy area is that I am very concerned that set of standards, this system that we have in place, not be allowed to deteriorate and there is no evidence that those standards will be upheld. There is no indication from the present Government that it is as committed to maintaining the highest possible care for children in the best possible delivery system with respect to child care. I am therefore raising these questions in that context.

Given the Minister's last statement I would certainly recommend—she says she is aware of that study—I would certainly recommend that study to her even though it was done as a report for the Ontario Ministry of Community and Social Services. It is broad enough and theoretically based enough to provide the Minister with a good analysis of the kind of work that has been done in the field and the conclusions that are not unlike any other studies that had been done in the field.

Given her last comments, could I ask the Minister if she has read in detail the Debates of the Senate for Tuesday, July 12, 1988, which outlines in detail the report of the Senate Committee dealing with day care in which it states, particularly on page 23, that contrary to what the Minister has said that it is often said that standards and regulations cannot ensure quality.

"We agree, it is committed people who breathe life into regulations. In the case of child care, the commitment is most likely to come from those who have an interest in children which is independent of their livelihood. From this it follows that a child care

system should be developed by the not-for-profit rather than the commercial sector. We stress that by the not-for-profit we are not referring to just any corporation without share capital which provides child care services, but rather to an organization whose board of directors is made up of parents and others who care about what happens to the children whom they are serving."

I could certainly quote more extensively from this document which has been authored by members of the Conservative Party. I think Senator Mira Spivak's views on this topic are well-known, not to ignore the role of other Conservative Senators in this committee's work, as well as Liberal Senators such as Senator Lorna Marsden in terms of the work of this committee. The conclusions are as clear as night and day.

Has the Minister read these reports? Has she read this summary of the Senate Committee's work? Has she taken that into consideration at all?

Mrs. Oleson: Yes, I have read parts of that. I would go back to what the Member said about standards and erosion of standards. I or none of the Members of Cabinet or this caucus or this Government have ever indicated that we would be eroding any standards and regulations in the day care field. I do not know why the Member would feel that we are in favour of loosening up the standards, because that is certainly not the case. We believe in quality, accessible, affordable day care for the children of Manitoba and we certainly do not want any erosion of standards.

Also the Member indicated that she feels, and she is quoting that others feel that—the indication was that people who work in child care, the only ones that care are the ones who work in public centres. I think that is really being very unkind and unfair to the many people who work in all centres looking after children. Obviously they must be caring people who want to work with children to be employed in a centre. To say that just because they were working for one centre or the other centre they cared less is totally and absolutely ridiculous.

Ms. Wasylycia-Leis: Yes, I believe the Minister was referring not to my words, but to the words of Senator Mira Spivak in the Senate Report of July 1st—

Mrs. Oleson: And she is ridiculous, too.

Ms. Wasylycia-Leis: —1988 who, and I was quoting directly from her words when she says that in the case of child care the commitment is most likely to come from those who have—

Mrs. Oleson: Most likely.

Ms. Wasylycia-Leis: —an interest in children which is independent of their livelihood. I made no further comment than to quote from the words of the Senate Committee Report, and if the Minister is suggesting that the Senator, Senator Spivak, is out to lunch, then I guess the record will say that and speak for itself.

However, the Minister should also know that there is a solid body of evidence and documentation to

suggest that, without being critical of individuals in the field, without questioning the commitment of some commercial day care operators, if one looks at the literature in an objective empirical basis, then it is absolutely clear without question—and this statement has been backed up by research, by briefing material provided to the Minister herself by staff of her department—there is no doubt that research studies and licensing reviews show commercial care to have significantly greater problems in achieving and maintaining high quality care.

It is on the basis of that research, that analysis that Governments across this country are coming to the conclusion, and Governments across North American and right around the world are coming to the conclusion that it makes little sense when you are dealing with scarce taxpayers' dollars, scarce revenue, to put that money into the direction of private-for-profit day care. It is not a question of questioning individual motives and the quality of individual centres, but making a decision as a Government, making a public policy decision on the basis of solid research and advice.

The Minister has indicated, no, given us no sign that she has reviewed the literature and understood the conclusions that have been provided and still—it would be probably easier for us to deal with this whole area if the Minister would say, yes, I have read it all and I understand all the conclusions and I know that the data suggest that there are less problems in terms of quality when it comes to non-profit centres, but I have still made the decision to—my Government has still made the decision, because we want to support private enterprise in this province. It would be a little easier to take, a little more understandable, but to have this kind of continual whitewash is just—it smacks of irresponsible action on the part of this Government in terms of a commitment to the children, the families and communities right across the Province of Manitoba.

Let me ask the Minister one more—maybe not one more question with respect to the research that has been done. Let me ask her if she has read the policy paper that was done again for the Ontario Government, but references research that was done for the task force for the House of Commons Special Committee on Child Care.

The title of the paper is "Child Care in Ontario—the Debate over Commercial Day Care, November 1987," a fairly recent report in which it does a thorough analysis of all available research and studies to that point about the benefits of non-profit day care over profit day care, and makes the conclusions, and I refer specifically to the conclusions drawn from the study done by S.P.R. Associates for the House of Commons Special Committee on Child Care, and concludes that, on average, Government centres provide the best care with four-fifths as better than adequate and only one rated poor; that non-profit centres provide better care on average than small for-profit centres; that despite regulations being different, a number of centres, except for Government in all auspices, are reported not to meet the regulatory standards.

The list goes on and on in terms of the analysis of the literature and it is on the basis of that evidence

that this study and certainly decisions made on the basis of this research, such as in the case of Ontario, has concluded that it makes little sense at this point in time to put taxpayers' money into commercial, private for-profit day care centres.

Has the Minister read this study? Is she aware of the research done for the House of Commons Special Committee? Has she any comments or views on this body of data?

Mrs. Oleson: I should indicate to the Member that I have not read that in its entirety, I have read excerpts. I am looking forward some day, in the dim and distant future probably, to getting out of Estimates and being able to have time to read some of these things because I do have an interest, of course, in them.

I would remind the Member again that, as I have said before, and I guess probably I will be saying again many, many times that the emphasis with this change in policy has been to help children, help low-income parents' children, who wish to access day care. I do not know whether the Member would like to close down every private day care in the province. I think we would be considerably short of spaces if the Member is contemplating that, because we really, as the Member knows, have discussed this before under various lines in these Estimates. We have discussed the waiting lists and the need for more centres. If private centres are willing to go to the trouble of getting licensed and providing care, and we can subsidize children in them, then it really does not—

As long as the children are getting safe and quality care, then it really does not make any difference to me who owns the particular centre, whether it is the public or a private person. What we are looking for here is spaces for children who need them.

* (1650)

Ms. Wasylycia-Leis: I am shocked at the Minister's admission that she has not read any of these studies prior to making a—

Mrs. Oleson: I have not read them in their entirety. I have read parts of them.

Ms. Wasylycia-Leis: The Minister has clearly put on the record that she would like to be out of Estimates so she can read some of this literature, some of these studies—

Mrs. Oleson: More of it.

Ms. Wasylycia-Leis: —and understand the policy field better. I ask the Minister—how in heaven's name can she or her Government make such a fundamental change in policy, turn our whole day care policy upside down in the Province of Manitoba, and tell us today that she has not made that decision on the basis of any solid research, and has not had time to read any studies, and is not prepared to document her decisions whatsoever?

Mrs. Oleson: I indicated to the Member that I had not had time to read all the studies. I did not indicate to

her that I had not read anything. I would like to indicate to the Member, once again, that people expressed a concern to us that they needed subsidized spaces, that they need day care in their own neighbourhood. I am not apologizing for making that decision. It is not a way-out decision. Other provinces do it, other jurisdictions do it. It is done, as the Member has pointed out, in this province under a grandfather clause, or grandperson clause. It is not something that is completely unusual. But I think maybe the Member should ask some of the people who were receiving or will be receiving subsidies in the day care of their choice, I think maybe the Member should contact some of those people and ask them what they feel about it.

The Acting Chairman (Mrs. Hammond): Shall the item pass?

Ms. Wasylycia-Leis: Not by a long shot, Madam Chairperson. We have many, many more questions on this critical area. Since the Minister has mentioned talking to people who have concerns about child care, let me indicate that I have certainly talked to hundreds and hundreds of Manitobans about this particular issue, and have received hundreds of letters and names on petitions expressing concern about this Government's policy, many of which are copies of letters to the Minister herself.

The Minister should be aware, if she looks at her mail, the dozens of names that come in on a day-to-day basis. I am quite prepared to table any of these at any point if she has not seen them, expressing concern about this Government's policies about decisions made in the day care field, expressing concern about inadequacy of funding of the current system, of the non-profit system, about inadequacy of funds for maintenance grants, about inadequacy of funds for salary enhancement grants and the list goes on and on.

These are all real people that are in contact with us on a day-to-day basis, very concerned about why this Government, at a time where there is such a crying demand and documented need in the non-profit sector, that would meet the needs of those parents she is talking about, that would provide the subsidies for parents in their own neighbourhoods, if she would move on authorization of funds for those spaces. Yet she can tell this committee, she can tell Members of the Legislature that we should be talking to real people to find out who is missing out on subsidized day care because private centres are not getting it, and because all of those centres in the suburbs—are we not being able to benefit from Government grants either by way of subsidy or maintenance or salary enhancement grants?

Mrs. Oleson: Perhaps if the Member had been so agitated and concerned about it, all these problems would not exist today if there was endless funding provided for day care. I think a \$7 million increase in day care is a very, very strong commitment to day care in this province. We inherited a program where there was inadequate funding, where there were not enough spaces. I certainly cannot address that in five months

and provide the province with a day care for every child. I do not think the Member is being realistic at all if she starts into again this business of problems in child care. Those problems cannot be ironed out in a short time.

Ms. Wasylycia-Leis: I am afraid the Minister cannot continue to deflect the issues at hand here by way of such general illogical statements. Madam Chairperson, there is no question about the need, the outstanding need in the Province of Manitoba with respect to child care. There is no question that the need was far from met under the previous administration, but there is every indication from individual parents, individual community leaders and groups and organizations throughout the Province of Manitoba that the need was identified and that the expectation on the part of those individuals and groups was for the Government to continue to meet that need by way of increased funding for spaces and centres in the non-profit sector, as well as salary and maintenance enhancement grants for non-profit centres. There is no question about any of that.

(Mr. Chairman in the Chair.)

The question everyone has, and it is regrettable that the Minister was not able to be at the public rally held on the steps of the Legislature, the concern that everyone has is why this Government is taking scarce resources that could be going in that direction to build up the system, to add to the spaces, to provide the subsidies to low income parents instead of putting it into some direction to meet the needs, as the Minister has said, to provide subsidies to private centres that have no research to back it up, no indication that low income families will be able to have their needs met.

That is the issue at hand, that is still the question before the Minister, that is still the question we would like to have some answers on and I am prepared to carry on—and seeing it is five o'clock—on Monday with further studies and research and data that indicates the Minister should at least have taken the time to study this matter, to review the literature and then come to her own conclusions without naively and blindly pursuing some crazy notion that has no basis in fact, and is designed to meet no one's needs and is not prepared for one moment to provide any evidence that it will meet any need.

Mrs. Oleson: The bottom line is that 500 children this year will receive subsidies who did not receive them before.

* (1700)

Mr. Chairman: The hour being five o'clock, it is time for Private Members' Hour.

Committee rise.

* (1440)

SUPPLY—AGRICULTURE

Mr. Chairman, Mark Minenko: I call the Committee of Supply to order. We are continuing to consider the Estimates of the Department of Agriculture. We are on item 4. Agricultural Development and Marketing Division.

Mr. Bill Uruski (Interlake): I would like to, in this area, get some views from the Minister and some advice and information. Mr. Chairman, recently there was the announcement of the Sustainable Development Centre. I would like to know from the Minister how his department and he view agriculture's role in this centre. What kind of presentations and information can he provide as to how he views his department's role in taking advantage of what this centre will offer, and how he views our position vis-a-vis this centre in terms of long-term sustainable development in agriculture?

Hon. Glen Findlay (Minister of Agriculture): Mr. Chairman, there is no question that agriculture is a very key and a major element in any kind of sustainable development dealing with the natural resources that we have in this province, and soil and water are two of our more important natural resources. The staff is involved at the committee level in looking at ways and means of being able to promote the concept of sustainable development. The Soil and Water Conservation Accord that is also being developed is certainly foremost in terms of the concept of sustainable development, but there is no question that agriculture has for many years, I dare say it is safe to say for 100 years, been practising some element of sustainable development with our soil and water resources.

Some parts of the province have done better jobs than others. We have had certain problems with wind and water erosion, we have had alkalinity problems, we have had problems related to summerfallowing that have shown that certain practices are no longer in the best interests of sustainable development of particularly our land resource. I guess the whole thrust of agriculture right now in terms of how we can best maintain our resource and keep its productivity up is the centrepiece for sustainable development. The two go hand in hand.

Mr. Uruski: Mr. Chairman, can the Minister indicate whether there will be specific additional federal funding and programming involved, as a result of the announcement of that development centre? Can the Minister share some of that information as to what proposals, if any, his department is putting forward in terms of that operation of that centre?

Mr. Findlay: I would have to tell the Member that the whole concept of that centre and what it will end up doing is in the development stages. We are not in a position to talk about levels of funding from the federal Government, I think was the specific question the Member asked.

Certainly our objectives have been in the agricultural industry, as I mentioned earlier, to deal with the ability to better manage our soil resource particularly in terms of the high quality soils, in terms of being able to

produce from them through the research and the demonstration projects that are going on. There is also activity going on through the HELP program which the former Minister of Natural Resources will know about in terms of trying to convert marginal lands over to more wildlife use. It is certainly part of sustaining the land base that maybe is not as readily usable for agriculture as some of the other lands. So there are a number of initiatives going on, and I think they will all be part and parcel of any proposals that we take forward to the Sustainable Development Centre as it gets off its feet.

I am glad to see it is in the Province of Manitoba where we will be able to play a major part in it from the Department of Agriculture point of view, Natural Resources, Industry and Trade and Northern Affairs and certainly some other departments. It is a developing concept that is going to take some work yet but I think we, in our particular department over the years, are in a very good position to start making proposals for real significant activities in the way of sustainable development.

Mr. Uruski: I am a bit amused by the Minister's comments because that announcement had been made here by his colleagues in Ottawa—what?—approximately a month ago or a week ago that there would have been consultations and discussion between the province and Ottawa and that there would have been some further information that the Minister could share with us on the centre.

The points that he has raised in terms of what is happening in agriculture are points that I am very well aware of, having been part of instituting and negotiating the Agri-Food Agreement and having all those demonstrations on soil and water conservation, on reforestation—(Interjection)—Right. But I would have thought that there would have been at least some indication whether there is additional funding going to be made available and what kind of areas would be eligible for funding that Manitoba might capitalize under in terms of sustainable development. What are those issues that we would be putting forward? I would have thought that there would have been some further consultations. Perhaps the Minister might want to elaborate further on that.

* (1450)

Mr. Findlay: No, I have to tell the Member there is really nothing more we can talk about at this point in time in terms of what he has asked about, in terms of programs that are presently under way or funding that is in position. It is a concept that is being developed. As he well knows, it takes some time to put concepts into action. I think, as I said earlier, it is a major opportunity for not only western Canada but for Manitoba as we get off the ground in terms of what the centre will eventually end up doing.

Mr. Uruski: Mr. Chairman, what I am getting from the Minister now, and I appreciate his candour, is that announcement was made without any in-depth consultation or any consultation with Manitoba or

Manitoba officials. It was a federal announcement made at a time very close to the federal election. That will make the announcement sound like lots is going to happen in Manitoba, and then we will figure out how we do it. That, in essence, is what the Minister is telling us right now this afternoon.

I mean, my colleague from Dauphin mentions the recently announced environmental centre in the Province of Manitoba. The provincial officials know or knew very little about that announcement. Here we have the announcement of the Sustainable Development Centre in this province, and one of what I would consider the leading departments in terms of existing programming in sustainable development, Agriculture, has not been talked to and no consultations. I think, if I was the Minister involved, I would be annoyed. I would be annoyed at my federal colleagues unless I am prepared to say nothing, because I do not want to rock the boat because it is time for a federal election. In essence, that is what we are hearing here today.

One of the leading departments knows very little. The Minister knows very little, other than he knows there was an announcement. He is probably scratching his head and saying, gee, what do I do next in terms of this group. They have announced it, now how do we tap into it? At least now that I have raised it, maybe they will start scrambling and say, gee, let us get in on the act and let us get the show on the road, and maybe we can get some additional programming in agriculture and in sustainable development through enhancement of some of the programs that we are involved in and others.

If ever there was a time that there is continued need in the area of sustainable development dealing with—a prime example of one project that is just crying out is Lake Dauphin. My colleague, the Member for Dauphin (Mr. Plohman), was attempting to bring in that lake into some federal-provincial program in which we could sustain both the agricultural needs of the area from that lake, as well as the recreational needs, as well as the potential for even fishing although the lake has not been fished for many years. Of course, the lake is slowly filling up with sedimentation.

I would have thought that this Minister would have been able to give us a fair understanding about this project and how they were going to tap into it. But it is obvious, Mr. Chairman, that they have not been consulted and the Minister here is capitulating in the election campaign by saying nothing about this very matter and sitting mum. I regret that.

I wish the Minister would—as his Premier (Mr. Filmon) said, all we have to do is pick up the phone. I wish he would pick up that phone and raise hell with Ottawa, and say what the hell is going on. It is here in Winnipeg, I know nothing about it. How much money have we got? What programming will we get into it and how much for Manitoba? He would be here standing today, Mr. Chairman, and telling Members of this House we have got a project that will be the envy of the nation, will involve the nation but, because it is in the heart of our country, in Manitoba, this is something great for Manitoba. But yet he stands here and says, sorry, guys, I do not know very much about it. But it is a great

idea, and we will figure it out a few months down after the election. That is where this Minister is at.

Mr. Findlay: I think the Member is looking for something to talk about. It is off the topic of what we should be talking about. If the centre was announced for some other province of this country, then he would have something to complain about. I think we should take some credit for the fact that it is located in Winnipeg, it is located in Manitoba, and now we are getting criticized because we achieved something. I mean, where is the Member coming from?

We have some major problems in rural Manitoba in terms of supply of water. We have had a major drought. We have to be concerned about municipal water supplies and aquifers in this province. We have lakes. He talks about sediment. And he wants to criticize us for getting a project here that can have some major impact in terms of dealing with the relationships that have to exist in the future between Environment, Natural Resources and Agriculture. The three departments together have some major initiatives to get involved in. We cannot overnight wave a magic wand and say, yes, we are going to have this much money here and that much money there.

We have some major initiatives to get involved in, in terms of retaining the water resource on our Prairies. We have a major area of the Prairies, we have southern Manitoba from the escarpment west that is traditionally short of water. We have to find ways and means of retaining water there in the spring run-off time. Yes, that might need a dam here or there. We have an area where he lives where drainage is the problem and we have made an announcement in the Washow Bay area about improving the drainage for the area. It is a major activity up there that will sustain agriculture in that area. There is no question about it. If the Member wants to talk about those initiatives, we are more than willing.

But the Centre for Sustainable Development is a development centre that is going to be here in the Province of Manitoba and, of that, we are very proud and pleased, and we will be doing things in the future that he will be pleased with through that centre.

Mr. Uruski: I did not criticize the project at all, Mr. Chairman. In fact, I applauded it. Our Leader in this House applauded that announcement. But what I am getting from this Minister is that the moment he is confronted with something he is not aware of, he goes on the defensive and tries an offensive to say that now you are criticizing the project.

Let the Minister settle down. We are very pleased, and I am sure all Members of this House are very pleased with the announcement. What we are getting here really in essence is that, while it is an announcement, that is all it is. Because very few people, including this Minister of Agriculture who I would have considered one of the lead Ministers in being involved in this centre, knows very little about it and obviously has not been consulted. That is all that I am indicating and I see how defensive he is. The fact of the matter is there is a federal election on. I am hoping that when that federal election is over, that announcement does

not become a hollow shell on behalf of whoever wins that election because obviously Manitoba politicians were not consulted in this announcement.

Mr. Findlay: The Member can rest assured it will not be a hollow shell when the election is over.

Mr. Laurie Evans (Fort Garry): I want to follow on a little bit in the same vein, not particularly with the institute that was being discussed, but the one that I asked the Minister a few questions on a couple of weeks which was the National Agricultural Biotechnology Institute, which was identified as having \$50 million coming from the Western Diversification. I am certainly pleased to see that we have on the advisory board three Members from Manitoba, including the Assistant Deputy Minister along with Mr. McQuarrie and Mr. Gordon. I am wondering just what stage that particular initiative is at. Have, in fact, any applications come in from Manitoba to that? Are we at the point where those applications can be entertained now?

Mr. Findlay: We tell the Member that the advisory board has not met yet for that Biotechnology Centre. They are meeting in the middle of November for their first meeting and are in the process of developing an application form so no applications have been received yet. In fact, none have been solicited. That is in the process. There has been ongoing discussions for some time involving the Department of Agriculture here in the province plus Ag Canada. The first advisory committee meeting will in the middle of November here in the City of Winnipeg.

* (1500)

Mr. Laurie Evans: Another initiative that has been announced and unfortunately I found it difficult to get much information on, and that is the whole concept of the Centres of Excellence which the Prime Minister has announced some time ago. I would ask the Minister whether he has any information as to whether there is any likelihood of a so-called Centre of Excellence in Manitoba that would pertain to some aspect of the agricultural industry?

Mr. Findlay: The Department of Agriculture is certainly not involved in making applications for Centres of Excellence.

We do understand that the university is considering a couple of possible applications as they may want to make for being recognized as a Centre of Excellence. You may know even more than I do about where the university is at in terms of preparing their application. That is how the process will work. It is up to the university to submit applications for activities they may believe will be recognized as a Centre of Excellence. There is no question that the university has a real good opportunity of being recognized in the Faculty of Agriculture for one, as a Centre of Excellence.

Mr. Laurie Evans: I appreciate the Minister's comments on this. I am certainly not expecting the Minister to resolve this but there always seems to be a lack of

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adequate communication when these things are announced, when they come to the centres, that you would expect to be the logical ones to try and take advantage of them, it seems that it is like pulling teeth to get sufficient information to know exactly how one can interface with them and actually have an opportunity to make a meaningful submission.

The other area that I was hoping the Minister might be able to give us some information on and that is—as I believe it was called—the Agri-Tech Corporation or conglomerate or whatever you want to call it, a group that were getting together with the idea of establishing a centre as a part of The Forks development. This I believe involved 20-some-odd agricultural firms that were going to be looking at it as a development and promotion for the ag industry. Is there any information he can provide on that?

Mr. Findlay: Certainly the Agri-Tech, Agricultural Technology and Crop, Agriculture Development, Crop Technology Centre, something like that is the terminology that is being used, and UMA Engineering has a contract to do a feasibility study about pulling together those companies that you mentioned, about 20 agribusinesses together with Government to see if we can have a centre here that will be world class, will have resources that will facilitate the bringing in of people from around the world to do trade with Manitoba firms, whether they are people producing equipment or bins or people selling meat or grain or whatever it is. Again, it is a centre that will make Manitoba and Winnipeg a focal point in international trade in agriculturally-related activities.

One of the reasons that this centre, the idea is being developed is because a number of different agribusinesses, I guess really in the grain handling area, things got a little tight here in western Canada the last two or three years because they were not selling bins and grain cleaning and grain handling equipment. They sought markets elsewhere in the world, and they found that when they got into major markets, particularly southeast Asia, that when they went in there what they really could sell was a complete unit, complete grain handling unit, and no individual company by themselves could really meet the need of what the contract was that they were bidding on. They found if they got together, worked as a group, they were much more effective in competing with other countries in terms of getting these market opportunities.

They have approached Western Diversification and the idea has been accepted and the feasibility study is being done. We have had two meetings with the UMA Engineering personnel dealing with what they are proposing and looking for our support and what involvement we might have as a department, and really the involvement we might have is maybe locating the marketing branch over there in the centre so that we are in the right atmosphere for dealing with it, promoting trade around the world.

That is where we are at. We have had discussions. UMA Engineering is doing the feasibility study and it is my understanding that their intention is to have the feasibility study done some time in the month of

November. I believe maybe in the middle of the November is their target. They are working with particularly the agribusiness sector and also with Government.

Mr. Laurie Evans: I believe that the critics, unless there are other Members wishing to ask questions, are prepared to go to 4.(b).

Mr. Chairman: Is it the will of the section to pass item 4.(a)(1) Administration: Salaries—pass; 4.(a)(2) Other Expenditures—pass.

4.(b) Animal Industry Branch: (I) Salaries—the Member for Fort Garry.

Mr. Laurie Evans: I would ask the Minister if he could give us sort of a general breakdown of the 41.4 staff years under Professional and Technical, perhaps in the form of how many are actually beef specialists, swine specialists, that type of thing, or any other breakdown of that group that might be convenient for him?

Mr. Findlay: With regard to the 41 professionals, there are about 15 categories and I will just read them down quickly: in livestock protection there is 1 staff year; 1 provincial sheep specialist; provincial livestock nutritionists, 2 there; dairy section management, 1; Dairy Herd Improvement Association, in the inspection area there are 6 staff people, just 6 staff years; in the processor services there are 4.2.; in milk recording there are 2; in milk lab services, 8.26; dairy program specialist, 1; beef section management, 1; beef program specialist, 1; ROP beef and sheep, 1; bull testation, swine section management, 1; swine specialist, 1; poultry and feed analysis management, 1; poultry diseases, 2.44; and feed analysis laboratory, 6.0.

* (1510)

Mr. Laurie Evans: Could the Minister indicate how many of that group of 41 are actually located and operate out of the Winnipeg head office—(Interjection)—

Mr. Findlay: Ag Services Centre?

Mr. Laurie Evans: Well, yes, are Winnipeg-based.

Mr. Findlay: In the branch, they are all located in Winnipeg with the exception of one. But there are also specialists in the regions who are out there too.

Mr. Laurie Evans: This brings up a whole philosophical issue I guess and in the Speech from the Throne and the Budget Speech there are statements made regarding the necessity of attempting to revitalize rural Manitoba and that type of thing. I guess what I am really asking the Minister is, does he have a philosophical point of view, or is there a departmental policy point of view as regard greater decentralization of the Manitoba Department of Agriculture?

I appreciate that there are some, like the Manitoba Crop Insurance Corporation headquartered in Portage and Water Services in Brandon, but frequently you get

rural representation indicating that they feel this could be broadened. I am not asking the Minister to tip his hand and have someone find out that they are planning a move for them they are not aware of, but I would like to know whether he has a philosophical policy approach to this which may lead to greater decentralization of the Manitoba Department of Agriculture in view of attempting to provide more jobs and revitalize the rural area to some extent?

Mr. Findlay: Mr. Chairman, there is no question that I will have to say that I agree with the concept that we need to revitalize rural Manitoba in any way and means possible. In terms of whether we can relocate staff who are presently in the City of Winnipeg into other areas of the province or other centres in the province is not an easy question to answer. It will take some consideration and some analysis of the pros and cons of whether a person—in a lab situation, it is virtually impossible to have them located elsewhere unless you move the lab, and there is a certain element of cost associated with that.

In certain terms of the extension people, certainly you can argue that they could be located elsewhere. It is an issue that we want to spend some time looking at, the pros and cons. It is not something that we will make any snap decision that it should or should not happen.

There is no question that the services that we render are primarily related to rural people and we need to do whatever is feasible to reverse the depopulation of the rural and revitalize the rural centres. I know that many rural centres would like to see Government officials located in their communities because every family helps that community in many ways. There is certainly going to be consideration given to the principle you have identified, but I cannot give you a snap decision at this point in time as to what will happen or to what extent anything will happen.

Mr. Laurie Evans: If you can pardon the pun, Mr. Chairperson, I think we are getting into a chicken-egg situation here in a sense. While I was very pleased to see the new facilities for the Manitoba Milk Producers' Marketing Board go up in my constituency, I would still wonder what type of consultation went on between that particular group and the Manitoba Department of Agriculture and whether there was any thought given to that new facility going elsewhere. I appreciate this was before the Minister was the Minister, that this decision as to where it would be located would have gone. Can the Minister give me any insight as to the rationale that went into locating it where they did as opposed to locating it in somewhere that might have been more central to the overall milk production area in the province?

Mr. Findlay: I guess I will just backtrack for a minute. In my previous answer—I think it was your first question—out of the 41 professionals we said one, and there are really three located outside the City of Winnipeg.

I guess what you raise with regard to the Milk Producers' Marketing Board probably exemplifies the

problem of locating services outside of Winnipeg. The decision to locate the lab there was strictly the Milk Producers' Marketing Board. They had not had any discussion or consultation with the department. We do not have a penny invested in the building; it is a decision they made. These are producers who live out in the country who make up the board. They are duly elected by their members and they themselves chose to locate in the City of Winnipeg so you can see the obvious attractiveness, the other factors that are considered in terms of proximity to services they want to utilize, the attractiveness of locating in the city.

Just where they located is really quite peculiar, because it is not in an obvious location at all with regard to the dairy industry or the processing industry. Why they chose that location, I have no idea, but it does point up the difficulty. If anybody should be locating major capital expenditures outside the city, it should be the Marketing Boards because they are rural people, rural based and should have rural thoughts first and foremost in their mind. But they have chosen to locate in the city and locate in that particular position in, I guess we call it, the industrial area of Fort Garry. So it certainly shows that there are certain advantages, at least they are perceived if not real, that locating in the city close to other services is in the long term more efficient in terms of the expenditures that the board has to encounter.

Mr. Laurie Evans: Moving into a little different direction then, could the Minister indicate to me how many people are involved in the operation of the feed lab? Is the 7,000 feed sample analysis that has been listed as the expected result anywhere near the maximum capacity that lab can accommodate?

Mr. Findlay: The number of laboratory staff in the Feed Analysis Lab are six staff years. The 7,000 samples certainly are not, by any means, capacity or maximum that the lab could handle. It would probably be safe to say that the number of samples we can handle, 10, maybe even double up to 14,000 samples without any great degree of difficulty, particularly with the near infrared spectrophotometer which was purchased just this past year. The lab, I think it is like the Soil Test Lab, it is probably safe to say it is underutilized by producers. There is a lot of information that the producers could receive if they were to be more aggressive in terms of sending samples in, particularly the beef people.

A lot of the utilization, as I understand it, really is by the supply-managed commodities who pay a little closer attention, particularly the dairy people and the poultry people to the kinds of rations that they feed and look at various components to make up an adequate ration. We have made some efforts, as I mentioned earlier, with the Soil Test Lab, trying to promote the utilization of those services by farmers in Manitoba. It is clear that maybe we need to do also some of the same kind of work for the Feed Analysis Lab, so that the kind of information that farmers can use can be generated from the samples they send in.

* (1520)

Mr. Laurie Evans: I assume that in the case of the Soil Testing Laboratory and the feed lab and other labs

of that nature, while there is a degree of cost recovery, that cost recovery, any money coming back in goes back into general revenues and is not identified as offsetting within the agricultural budget.

My question then is to the Minister: can he give us a figure as to the net cost to the province of the operation of a facility such as the feed lab?

Mr. Findlay: The Member is certainly right that the charges for feed analysis go into general revenue. In the process of running the lab, the net recovery—I guess I will use that word—is about 30 percent to 40 percent of the cost of running the lab. The province is subsidizing the lab to a pretty fair extent. If we could increase the utilization in terms of the number of the samples, we could certainly increase the degree of recovery that we are achieving. I think it is a clear example of a need to stimulate the use, to try and sell the services or the value of the services to the producer. Really, the net recovery is 30 percent to 40 percent.

Mr. Laurie Evans: I understand that there is some fairly critical negotiation going on at the present time relative to the dairy, the Milk Producers' Marketing Board and that type of thing. I am wondering if the Minister could indicate whether the net cost to the Government for the testing of dairy samples falls into the same category? In other words, is there a 30 percent or 40 percent net cost to the Government for providing that service to the dairy industry or is it closer to being a total cost recovery?

Mr. Findlay: Are you talking about the dairy industry or dairy people sending in feed samples for—

Mr. Laurie Evans: No, I was referring to the butter fat tests and the various tests that go on within the dairy lab.

Mr. Findlay: There are two activities that we need to identify. One is the testing in the milk lab for regulatory purposes and milk quality tests of that nature. For that, the province pays.

For the butter fat testing, for payment, to determine the level of payment to the producer, for about a 15-year period that testing was done for free. In this past year, there has been a cost recovery program in place so that the producers are actually paying for the services of butter fat testing to determine the level of payments. On that part, there is complete cost recovery now.

Mr. Laurie Evans: What I am getting at here is, I guess, the more fundamental question and that is, when you look at the Department of Agriculture total budget of \$114 million—and I do not want to get into the philosophical argument as to what is politically advantageous and what is not. What I am really asking of the Minister is can he give us a figure of what the total Department of Agriculture net cost is to the province because there are many areas where there is a certain amount of cost recovery and this is not identified in a fashion in the budget that one pick it out. Of that \$114 million that is identified, how much of it is in actual fact a net cost to the Government and

how much of it is offset by various forms of cost recovery? Is there such a figure available?

Mr. Findlay: What the Member identified is certainly an important question. We do not have the exact figure that we can give him right now, but we will develop that figure in looking at the cost recovery that occurs in feed analysis, soil analysis, the drug centre, semen centre and all of the other areas where revenues are actually coming into Government. We will develop that figure for him for the next day.

Mr. Laurie Evans: The reason that I bring this up—and I think the Minister will appreciate this—is there is certainly, I am sure, a philosophical difference between myself and the Minister when it comes to the free trade issue. My concerns would be, when you are looking at these services to the farmer which have a net cost to the Government, my suspicion would be that in due course these will be identified as subsidies that will be identified as being not acceptable to the Americans in the long term looking at free trade. They will be identified as a subsidization which is unfair as far as the Free Trade Agreement is concerned. Therefore my question is: has the Minister given any thought to the privatization of some of these services on a total cost recovery basis with the idea of the Government perhaps getting out of these areas entirely, or will in fact the Government essentially be forced to get out of them in due course because of the implications to the Free Trade Agreement?

Mr. Findlay: The principle of privatizing those kinds of services have continuously been looked at as to what is the rationale for Government continuing to supply the services as opposed to having it done by private enterprise. One area that is going to essentially, I guess you could use the word "privatize," is the butterfat testing. On January 1, 1989, the Milk Producers Marketing Board will be taking over that testing program.

So that is just one element of, you might call it, privatization but not maybe in the truest sense, but it certainly is taken away from the hands of Government. We will not any longer be responsible for that testing. There have been various representations made over time with regard to the semen centre and the drug centre.

I think it is an ongoing discussion as to when Government should be in service. We talked a little bit about it previously in the Soil Test Lab. There are government labs available in the States and we are in competition with them. We would hope that producers continue to use made-in-Manitoba kind of information in that area as opposed to forcing us to get out of it because the cost recovery is too low. It is an ongoing question. There is no automatic answer and I guess we are looking at always wherever the best services can be supplied to all producers of Manitoba, that is where the services should be available using Government through private industry.

* (1530)

I hope that the milk lab is successful in taking over the butterfat testing and they do not get into any

squabbles doing it. I can easily see a potential conflict of interest because they are determining how they are paid and it may create some trouble for them in the future, but that is the route they wanted to follow and they are being allowed to follow it. We will tell in a little bit of time as to whether they are able to be successful at it or not.

Mr. Laurie Evans: Within somewhat the same area, Mr. Chairperson, and that is the whole business of the ROP and the dairy herd improvement. Can the Minister enlighten me as to exactly what the status of the ROP is? I understand in some provinces it has been essentially offloaded from the federal Government onto the provincial as far as the cost of the ROP is concerned. Is that the same situation in Manitoba, or what does the Minister envision as being the long-term status of ROP in the DHI in Manitoba?

Mr. Findlay: There is a Dairy Milk Recording Committee in existence here in the province with federal, provincial and producer representation. There is an ongoing discussion looking at some element of privatization of the ROP measurements. Right now, there is a fair bit of federal funding in it. We also have at the same time DHIA and Owner Sampling Programs that are provincial programs. In fact, representatives of the committee are going to be seeing me within a week or 10 days to carry on the discussion with what direction they want to see that testing program go in the future.

Mr. Laurie Evans: Another somewhat philosophical question, Mr. Chairperson, and that is, in the Animal Industry Branch—and the same question could be asked in other branches as well—does the Minister have a figure that he would say, this fraction of the expenditure is consumer protection as opposed to that which is a service to the industry? The reason I am asking that question again is it seems to me that, in defence of what is going on in the department, one may have to argue that a certain percentage is consumer protection and that is legitimate. The service to the industry may be identified as a subsidy and may be a problem when it comes to the Free Trade Agreement.

Mr. Findlay: I cannot give you an exact figure but an approximation might be that about 10 percent of the Animal Industry budget would go to consumer protection. Particularly the dairy lab regulatory work, looking at milk samples for antibodies, for water, microbiological testing, and some of the animal disease work that is done would clearly fall into the consumer protection category. An approximation would be 10 percent of the budget is in that category, and it certainly is a valid question.

I do not know that the consumer really recognizes that we do these sorts of things. They just assume that high-quality food always arrives on the shelf in the grocery store, but a lot of work and certainly some expense from our department goes into achieving that, along with certainly the federal meat inspection work that goes on in the province is all designed to try to keep our image high in terms of consumer protection.

Mr. Laurie Evans: I certainly concur with the Minister's remarks. They are relative to the consumer protection

and perhaps it is an area that more thought should be given in order to get that information out to the general public. I think, as the Minister says, many of the consumers just assume that these high-quality products appear on the supermarket shelf and that there is nothing behind it that ensures that quality is there. I think even those of us who feel we have a reasonable understanding of agriculture are sometimes guilty of not spreading the word around that is not something that is just automatic.

Can the Minister indicate whether there has been any attempt on a cost-benefit analysis on any of the services that are provided? In other words, is there anything done in terms of a cost-benefit analysis of the feed lab or the soil testing lab or any of these other facilities that are provided, or can you visualize any way that it could in fact be meaningfully done?

* (1540)

Mr. Findlay: A study was done and there is a report here dated June 24, 1987 by Ross Cameron, and I will just read about four lines that give some examples of cost-benefit ratios.

"Usually cost-benefit ratios are satisfactory if they are greater than 1.5 to 1. The benefit of the \$175,000 laboratory expenditure can be obtained many times through individual farmers. Recently, a well-managed herd of beef cows had its ration changed as a result of feed testing, with a savings of 2 cents per head per day, or \$7.20 per year per head. If the approximately 1,000 farmers testing forage saved \$7.20 per head per year, this would be over \$300,000 per year. In the poultry area, a farmer was feeding a grower ration instead of a laying ration, which was identified by the laboratory. Production improved 4 percent or 68 cents per bird. These two examples indicate that even with the 2,000 farmers using the laboratory it certainly provides excellent return on the investment."

It is difficult to give specific cost-benefit ratios, but clearly the feeling of the department is that a lot of the work that identifies major problems like the couple we just mentioned clearly has a high cost-benefit ratio. If a person is managing well and everything is going well, certainly the return is not as great but, where there are problems and the problems can be identified by the kind of analysis we are talking about here, particularly feed analysis lab, there is a definite benefit that accrues back not only to the producer but to society at large.

Mr. Laurie Evans: To the Minister, how is this type of information actually being put into the hands of the producer? In other words, what sort of advertising or promotion is being done, because I get the impression that this type of information is not appreciated even by the professional people within the industry? Does the Minister feel there would be some advantage in getting this information out in a form that would be readily available to the producer and readily understood, in other words, get the scientific jargon out of this sort of a thing and get it out so that perhaps the facilities such as the Feed Testing Laboratory and others would

be more effectively utilized by those who we would assume might even improve the cost-benefit figures that you have outlined?

Mr. Findlay: Certainly the information that is generated when samples are sent in is utilized not only in terms of sending it back to the producer involved, but it is utilized by the extension staff, maybe in consultation with that producer and with other producers, using the information generated from producer A as examples to try to demonstrate to other producers the value of doing specific analysis of how that analysis can be used to develop rations or determine the level of fertilizers to add and so on. Certainly, through meetings that are held primarily in the wintertime, extension staff and specialist staff attempt to get that message across.

I will tell the Member that I believe that communication with our clientele, which is really our producers, is a very important principle and something we are trying to promote and push and improve upon. I think the people who are sort of front line in getting the message to the producer are our ag reps and our specialists, our extension specialists. I think that we need to continually be utilizing whatever medium we can to reach the producers on a continuous basis. We have been promoting the concept of the ag reps, particularly, keeping themselves visible in the rural community through the rural newspapers, through regular articles, regular columns that just keep putting this kind of information out in non-scientific jargon and it is something that producers can understand. Some ag reps are doing a real good job. Some newspapers are doing an excellent job of carrying the articles that our ag reps are putting out. We are trying to promote more aggressive work in that area. Putting this kind of cost-benefit information out or the value of testing this or the value of testing that in terms of developing rations or deciding what to spend in the way of medicines or fertilizers or weed control chemicals is all something that we have to continue to work at.

There is never too much information being disseminated. I think a regular weekly column in the newspaper, I think is something that can slowly over time convince producers, if you get the right kind of information, convince them of the value of the services we have and the benefits they can arrive at or achieve by utilizing those services. We are attempting to get that message out more regularly and more effectively to accomplish what you are talking about.

Mr. Laurie Evans: I will just use as an example the point that the Minister made a while ago and that was that the 7,000 samples going through the feed lab were probably only about half capacity. Would the Minister then think would it be advisable, through the ag rep service, to actually go out to producers who are not utilizing the facilities and through the available extension personnel get samples from those people to bring the total that is analyzed up to the 14,000 or whatever the appropriate figure is and virtually do this free of charge for those non-users on a one-time basis to get that information back to them to try and show them that perhaps the analysis, whether it is their feed or whether it is soil testing or whatever, that by using their actual

samples as a means of generating more work for the lab that that may in fact, by doing it gratis on a one-time basis for those producers, lead them to utilize the facility on a regular basis. It may be more effective than advertising or putting it in the Cooperator or the Western Producer or other farm papers.

Mr. Findlay: The experience has been that the Soil Testing Program has been somewhat more successful in attracting samples because there is more of an immediate kind of utilization of those figures than there is from the feed testing lab.

I had mentioned earlier, 30 percent to 40 percent cost recovery in the Feed Analysis Lab; soil analysis is around 80 percent cost recovery. There has been some of that done in terms of extension staff or ag rep staff working with producers and trying to convince them to utilize the service in sending in free samples here and there, or getting free samples done to try to attempt to convince them to utilize the service more regularly.

* (1550)

There is no question that the Feed Analysis Lab has been a bit of a hard sell in terms of getting producers to use it. We are going to promote staff to use whatever techniques they feel will work to improve the utilization of that analysis lab. Some free testing will be an asset in doing it. But taking the results and converting them into information the producer can use will also be helpful. I think the one-on-one relationship after the analysis is done would do as much as anything to convincing producers of the value of it.

I can just relate a personal position on it myself. I have used Soil Testing Services, but I have not really used the feed lab very much as a producer. Part of it was because I did not think I was getting back the kind of information that was really usable in my hands in terms of deciding what rations to use. I always felt that there was a follow-up, somebody would come and explain, okay I use this ration or that ration, let us work out the cost effectiveness of having a balanced ration. I am talking beef cattle in my particular case. That follow-up was not there a few years ago so we kind of dropped away from using it. I think that the follow-up as much as the free samples will help to stimulate the utilization of that service.

I think if we, particularly in this kind of a year when we are going to have a variety of feedstuffs used and probably some low quality roughages used, it will be an important thing to get producers to utilize the service. Just to relate another instance, we have had hay auctions and one of the staff was commenting yesterday that they had seen a hay auction, and really it was not the bales that indicated a good analysis that sold for the highest money, it was the one that was most neatly wrapped. So producers do not understand as well as they should what it means by protein and TDN and other factors that come from a feed analysis.

Mr. Laurie Evans: I think the Minister just indicates that there have been many occasions where cosmetics have played a bigger role than it should have.

But I would like to move on then into the Other Expenditures area here, Mr. Chairperson, and ask the Minister if he would be willing to go through the categories and perhaps give us some rationale for where the major changes have occurred. I am looking specifically at the \$60,000 taken out of Grants over the two years. Then as you go down there are the other areas, where there have been fairly major changes are Capital and Other Operating, to end up with a difference there of only about, I believe it is only \$800 between the two years. But the categories have changed very substantially, and whether he could explain the background to that?

Mr. Findlay: The line that the Member is referring to, Grants and Transfer Payments, going from 61.7 to \$1,700, there was an inadvertent transfer of funds there. Down to the bottom line, the \$60,000 should be up on line 1. It is down in Other Operating, the bottom line there, going from 113 up to 184. There was an inadvertent transfer of funds from one line to the other, but the same figure is actually in there, the \$60,000 for DHI in Grants and Development.—(Interjection)— Yes, it should be 61.7.—(Interjection)— 60 less.

Mr. Chairman: Is it the will of the committee to pass item 4.(b)(1)?

Mr. Uruski: Mr. Chairman, can the Minister indicate what has happened with the livestock performance, the ROP program? Has there been an agreement signed with the federal Government, or what is the status of that program?

Mr. Findlay: At this point in time there is the Manitoba Livestock Association involving beef, swine and poultry producers and we, as the Province of Manitoba, the Department of Agriculture, and they have signed an agreement that is now in Ottawa for their signature. A new agreement is in the signing stage. The province has signed it. The Livestock Performance Association has signed it, and now it is in Ottawa for the federal Government's signature.

Mr. Uruski: Can the Minister indicate what the terms of the agreement are and what financial impact does that have on the province, and what change is that from the previous arrangement that has been in place?

* (1600)

Mr. Findlay: The component that we are involved in, in terms of the agreement, is that we will supply staff space and about \$5,000 a year for expenses for secretarial work or mail costs. The federal Government is supplying the money for staff and computers and the Producers Association will administer the program. It is an ongoing program but it is really a five-year agreement that is in the process of being signed.

With regard to changes—the other question the Member asked—from the previous agreement, is that the federal Government is now prepared to pick up the staff costs and the computer costs and the software costs for those computers, so there is a greater involvement on their part.

Mr. Uruski: Just to refresh my memory, was this program not originally totally funded by the federal Government and they wished to transfer the entire program to provinces and producer groups, and this is the compromise, the negotiated final agreement that the Minister is now signing with the groups? Is that generally what has occurred?

Mr. Findlay: The initial federal position had been that either the province or the producers pick up all the costs. What has been signed is that they will continue to pay the staff costs and the computer costs of the program and our component will be staff space and, as I said, about \$5,000 for some expenses, for secretarial and mail services. They, the federal Government, is picking up, we would have to say, the major component.

Mr. Uruski: Am I correct in assuming that the space is already available? Our staff had been involved in providing some of those services earlier so that basically, in terms of the departmental costs, they are not changing in any great degree. The producer involvement will be in terms of the overall management of the program from a board level, no direct producer input, when I say that, other than individual producers who would sign up on the program and pay their fees and be involved with the producer board, I guess, would be involved then in a tripartite management of future changes. That would be the role of the producer group, but not directly financially contributing into the operations of the program, other than direct producer participation. Is that generally correct?

Mr. Findlay: Not necessarily. The Member is more or less right in terms of the fact that the Performance Association Board which is made up of those three, of beef, swine and poultry producers, will actually be managing the staff. Staff will report to them, and they will be located in space in the Ag Services complex out at the university. We will be in close contact with our staff and certainly will be utilizing and working closely with our staff so that there would be a good relationship there in terms of making the delivery of the service the most efficient possible. The association board will be administering the program and staff will report to them.

Mr. Uruski: Is the province and the federal Government involved in that board as well?

Mr. Findlay: Yes, we are involved with one member, federal Government, one Member, and three producer representatives, one from each of the disciplines.

Mr. Chairman: Is it the will of the committee to pass item 4.(b)(1) Salaries—pass; item 4.(b)(2) Other expenditures—pass.

Item 4.(c) Veterinary Services Branch: (1) Salaries.

Mr. Laurie Evans: A somewhat similar question to when we were dealing with the Animal Industry Branch, but before I go into that would it be agreeable to the Minister that we deal with the drugs and semen item that is

later in the proceedings here at the same time as we are dealing with the Vet Services? It seems to be that they fall in together.

An Honourable Member: Do them both.

Mr. Laurie Evans: Can the Minister indicate then the overall breakdown of the 27.15 professional in terms of their areas of responsibility and likewise indicate how many of them are located in Winnipeg as opposed to rural Manitoba?

Mr. Findlay: We have five staff years in administration, 2.5 in the area of animal health specialist; diagnostic services, 23.1; A.I.s administration, four staff years; and drug centre administration, eight staff years.

Mr. Laurie Evans: A question that I assume has an obvious answer but maybe I have missed it, and that is when you look at the Animal Industry Branch which we have just passed, you are looking at ratio of 41.4 to 6 administrative and in the veterinary services 27 to 15, so you are looking at a seven-to-one ratio of professional to administrative in one case and something that is less than a two to one in the Veterinary Services. Why the necessity of having such a much larger administrative support ratio within Veterinary Services?

Mr. Findlay: It is an obvious question. In the administrative support of course we have our secretaries, No 1. But also the staff dealing with the semen centre and the drug centre in terms of dispensing drugs and semen. There is a higher level of people in that particular category in this branch than there was in the previous one.

Mr. Laurie Evans: I am not sure whether I missed it or whether the Minister answered the distribution of this staff as Winnipeg based versus rural based?

Mr. Findlay: In Veterinary Services Branch, they are all in the City of Winnipeg.

Mr. Laurie Evans: I guess the obvious question then is this area one that would be a logical one to look at as far as decentralization is concerned?

* (1610)

Mr. Findlay: Certainly on the surface, it may appear that it is one that could just be picked up and moved, but the diagnostic services, the lab is all here now. It is an expensive lab to rebuild and relocate. Certainly another consideration for this service is the ability to get samples in quickly because of potential deterioration. If they were located in some other centre, ability to get samples from all parts of the province to the lab probably will not be as good as being able to get them into the City of Winnipeg.

So there are certain disadvantages to doing it, as opposed to the obvious advantage that it would be a service that on the surface you might think could be easily relocated. I think, practically, it would be difficult

especially with the lab and the transportation problems that we would have.

Mr. Laurie Evans: Once again, Mr. Chairperson, the question of Other Expenditures comes up again and here again, if we compare the Animal Industry Branch and the Veterinary Services Branch, you have got virtually no increase year over year on the Other Expenditure area within the Animal Industry Branch and yet, when you come to the Veterinary Services, the increase is something in excess of 6 percent, which I do not regard as being high either. But I am a little concerned that there is virtually no increase in one branch as opposed to a reasonable increase in another.

I still have trouble understanding the rationale as to why some areas have essentially been, I assume, told that their Other Expenditures cannot increase at all, whereas this one has been allowed to go up by 6 percent. Is it a squeaky wheel syndrome, or is it a case of one branch manager or director raising hell with the Minister and saying, we have to have something, whereas the others have been a little more timid, or is there another explanation for it?

(The Acting Chairman, John Plohman, in the Chair.)

Mr. Findlay: I see a new Chairman there. Certainly in this particular area for the drugs and semen operation, there are additional costs that are more easily identified, particularly transportation costs. It just costs more to move samples. When the budget was prepared, they identified the additional costs and they are included through all the categories here. But you must remember that in this particular area, there is a high level of recovery of costs, particularly for diagnostic services in the A.I. and the drug centre. We have to reflect the additional costs of doing business and a lot of that is recoverable.

Mr. Laurie Evans: Mr. Acting Chairperson, I will be interested when the Minister is able to provide the data on this cost recovery issue, which will be coming back at an interesting figure, I am sure.

They have identified here the Veterinary Sciences Scholarship Fund. Could the Minister just refresh my memory as to the arrangement that we have with the Western Veterinary College as far as Manitoba participation in that? What do we do in terms of support for the vet college, and what commitment do we have for students being able to avail themselves of the vet college from Manitoba?

Mr. Findlay: Any funding support that comes from Manitoba to the Veterinary College comes through the Department of Education, and we do not really have the figure here as to what the dollars are. We have a quota of about 12 students per year that are admitted there. The director, Jack McPhedran, is involved in the process of screening students who go there from Manitoba.

Mr. Laurie Evans: I am sure the Minister is aware of the article that was in The Cooperator on September 29 with the headline, which I am sure would concern

him a little bit, which is entitled, "Manitoba Semen Centre in trouble." It relates to the Western Breeders, the company and the relationship that it has with some of the studs where it has an arrangement, it has access. It would infer that perhaps the provincial Semen Centre is not as effective as it might be because of this competition. Can the Minister indicate whether in fact this is a major concern, or whether this is something that is perhaps overstated in this article and that the centre is actually serving a very worthwhile purpose in the province?

Mr. Findlay: Certainly, in this particular area there is competition out there, Western Breeders. They appear to be attempting to become very aggressive in certain parts of the province in terms of supplying the service. It is not really reflected in the level of utilization of the Semen Distribution Centre. There has not been a drastic decline in the number of samples that are actually handled by the centre, so there is a very high level of use yet by producers in the province. I think the reason for setting the lab up was so that we could have availability of semen to all producers in the province.

There is a certain concern that if the private operators—you know, the competition is always good, it keeps everybody sharp. But if we were to back away from it entirely, the private operators would probably just supply semen, and certainly the greatest access to semen would be in the highest-use centres as opposed to all producers all over the province.

I have had occasion recently in the last two or three weeks to talk with dairy producers here and I have asked them, what do you think, because they are one of the biggest users. What do you think? I have had different opinions. Some say, well I use Western Breeders, and others say, well, the Semen Centre provides a valuable service and I use them. So I do not think there is any clear-cut path but I think the competition is healthy. I just do not see us losing out in that competition. There might be certain spots, certain areas that the private people will concentrate on and make the competition that much tougher. But I do not see us backing away from the service that we are now supplying, to try to make it available to all semen users in the Province of Manitoba.

Mr. Laurie Evans: A general question, I ask the Minister if he would give us his assessment of the adequacy of veterinary services in Manitoba at the present time. Are we reaching the point where the livestock producers have the availability of adequate services yet, or is there still a fairly major deficiency there?

* (1620)

Mr. Findlay: I think basically the answer to your question is yes, by and large. Over the course of the province, there are 31 Vet Districts have been set up over the years. They cover 116 of the 140 eligible municipalities. We have private clinics operating in Boissevain, Brandon, Carman, Portage, Stonewall, and out of Winnipeg.

My feeling is that anything I have heard or staff has talked of is that we have adequate veterinarian services,

by and large, other than a shortage here or there with a vet in a particular district. Some districts have a little more trouble than others in terms of attracting veterinarians, but I think their general track record is pretty good in terms of having enough veterinarians to serve the entire needs of the agriculture industry.

If there is any area we have more difficulty with than others, it is in terms of large animal vets. Small animal vets are pretty easy to come by but large animal vets, there is some element of concern. Certainly I have heard veterinarians talk about an element of concern about the future because of maybe a little bit of a push at the veterinary college to get into the small animal business because it is—I would not say that you should not use the word "more lucrative"—but maybe easier to make a good living at. The hours are more regular 8 to 5, a little more money and easier to charge and so on and so forth, as opposed to the rigorous large animal work. You can appreciate what happens. I mean, out there right now there are lots of producers doing preg testing and this weather is nice right now, but I can tell you in two weeks, three weeks or four weeks it may be minus 10 with the wind howling and you are out there with bare wet hands. It is easy to think that, boy, small animal practice is attractive.

But, no, there is a certain element of concern about large animal vets but so far I think we have been able to, either through Canadian-trained vets or some foreign-trained vets meeting the need fairly effectively and the director is always aggressively doing the best he can.

Mr. Laurie Evans: One final question, Mr. Acting Chairman, before I turn it over to my colleague from the Interlake, and that relates to the relationship of the branch here, and the whole question of the Animal Rights Activist movement and whether this is starting to create any problem with the department or whether that, likewise, tends to be somewhat overblown by publicity.

Mr. Findlay: There is no question that it is a potential difficulty down the road if the Animal Rights Activists start to make an issue of the humane treatment of animals. We have seen it in the fur industry, created considerable trouble there. But what is being attempted is to try to head off the problems that might come up by being responsible along the way in terms of being sure that all the practices that are utilized are as humane as is technically possible. Jack McPhedran, the director of this branch is presently sitting on a Canadian Expert Committee on Animal Rights which is a pro-active group that is attempting to be sure that the activities involved in the veterinary services area is, what you might call, the most humane fashion possible, so as I say, we are trying to head it off by acting before we are forced to act, in terms of using the most humane possible responses.

(Mr. Chairman in the Chair.)

Another area that we hear about once in a while is the disposal of dead animals creates a little bit of trouble in certain areas. There is not always the best way to get rid of dead animals. It is a problem and it is

something that certain municipalities are a little more ticklish about than others. So there are a number of issues and you have to keep your eyes open and address them, hopefully, ahead of when the Animal Rights Activists get on our case.

Mr. Uruski: Mr. Chairman, can the Minister indicate whether there are any vet districts where there are no vets currently? Are there some vacancies in the province? Before we have the knowledge of Dr. McPhedran on the day-to-day work, can the Minister indicate whether the department is in fact now funding the Fisher Branch Clinic?

Mr. Findlay: Fisher Branch will be funded for the basic grant of \$15,000.00. The letter has gone out informing them of that. If I am not mistaken, we believe the first cheque has already gone too. We realize that there was a need there. They had a vet. As far as I was concerned, they certainly qualified and there is every reason in the world why they should get it. We have seen to it and they have it.

Mr. Uruski: Let me take this opportunity to thank the Minister and his administration for continuing that program and assisting the community of Fisher Branch and the districts surrounding the area recognizing that there has always been a difficulty in providing a service from the Arbog area where that district now is located. It appears certainly from my limited knowledge, although we do use the vet occasionally, that Dr. Bruce Renooy is doing an excellent job in the community, well respected and hopefully that his practice will flourish. I am sure with the type of individual he is and very much involved in the community that it will succeed. I want to, on behalf of all the people of Fisher Branch and district, thank the Minister for that support.

* (1630)

I wanted to raise a couple of questions on this question of semen competition. I am not sure that we are getting into that issue totally. I know that competition has been there and it is a healthy concept. There are ways, although if the Government is and the Minister is not vigilant, that there may be ways in which a private entrepreneur can in fact, what I would consider, out-compete a Government system. Maybe I am wrong in my assessment and Dr. McPhedran will tell me so. We do have a scale of compensation for our technicians. That scale of compensation has been debated for years as being inadequate, in general from time to time it has been raised. If I was a private entrepreneur wanting to hone in on the business I would make sure that some way, in terms of we all work in margins, that there is enough margin in the semen to enhance the payment for a technician and make it much more lucrative to basically start taking over the business. I want to hear the Minister's views whether that is a concern, whether in fact some of that has occurred in terms of the competition that has been about or whether it is just straight across board that the company is just trying to do it, or are there ways in which they can enhance their position by attracting some of our own technicians away from us?

Mr. Findlay: In answer to the previous question about vet districts being vacant, only one right now, and it

is Alonsa. They are looking at a candidate at this time, so one out of 31 is presently not filled.

With regard to the scale of competition and squeezing out the A.I. technicians by the private entrepreneurs, to the best of our knowledge at this time the level of compensation that the technician receives is the same from either the Western Breeders or from us. The one thing that, I guess, is being attempted by the Western Breeders is to get the producer to do the inseminating, in other words, sell the semen directly to the producer and bypass the technician. It is a technique that they are trying and we are not just sure to what extent that is happening, but it is a way of cornering the business and squeezing out the technician. Certainly it is of concern.

But it is something that we do not have an exact figure as to what extent it is happening, and I would think that most producers would value the service of a technician in terms of his skill and ability to get a high level of conception, as opposed to having less skill, less practice and not being as successful. The producer might well lose out because he may have missed a month, missed two months, the extra cost of the semen and so on. So I think a knowledgeable and responsible thinking producer would want to continue to use the technician, but we do not know to what extent that is really happening.

Mr. Uruski: It appears, certainly by the projection of ordering of semen by the department and by the Veterinary Services Branch, that business is climbing and the expected sales there are projected to be higher even in the semen area so that from all indications, at least by that one area, the process is not being undermined to the point of great concern.

The other area that continually rears its head from time to time is the whole question of good will. It became an issue for us on a couple of transfers that were ongoing and then quietly kind of faded away. I guess the time in which there is, what I would consider, a great abundance of veterinarians looking for practices is when the question of good will comes much more to the forefront because then the bidding war begins.

Of course, ultimately the producers and taxpayers will have to pay because, if a new aspiring veterinarian does pay a fairly hefty sum for good will, there will be pressures in two ways, either in terms of his fees and most vets do charge below the printed fee, so they will either have to raise them or the pressure will come from the district boards that say let us enhance the provincial grant to the veterinarian, one or the other, either with mileage, a whole host of areas where charges can be increased in order to pay off that debt. Some ultimately will have to pay it off.

I am pleased to see that the situation, and maybe I am wrong, but it seems to have quietened down over the last year. I recall, I guess two years ago, when even the association itself was getting quite concerned about this question and were attempting to deal with it. Have there been any new developments in this area, and whether or not the department has had to move with guidelines in terms of trying to see whether it is possible

to at least identify it and have some ceiling if anything, or some ratio to percentage of practice there, or whether it is basically in monitoring the sale of clinics? The latest sale, I think, and there may have been others, was Arborg within the last year. I do not know what has occurred there and whether the department has monitored that and whether they are satisfied that, generally speaking, someone did not have to overpay for the practice which ultimately will be borne by taxpayers and producers.

Mr. Findlay: Certainly what the Member has said about the fact that it has quietened down is true. There have been ongoing discussions involving the department and the Veterinary Association and the veterinary boards and the municipalities with regard to the role of good will. I tend to support myself the role of good will. If a veterinarian is in a particular practice, I think if he feels that he has got something personally in it, he is developing something that is worth something in the end, he is more apt to stay as opposed to just being on salary, and he could be here today, gone tomorrow. Any livestock producer, it is just like cutting a leg off when he sees a veterinarian leave because, when you have got animal health problems, death is the end result and it is pretty expensive if death does result, because a veterinarian is very important to his ability to operate his livestock business.

* (1640)

What seems to have evolved is an understanding, a relationship between the various groups that I just mentioned in terms of their discussion, an understanding that good will is a component, but it cannot get out of hand in terms of cost. We are working on the principle that when a veterinarian is in the process of contemplating a sale or negotiating a sale, we ask him to inform the board early on in the negotiations so the board is aware of what is going on. The board can have some input in what is going on, and certainly the board has to approve the veterinarian who is going to come in there. So the board has a fair bit of a role to play and can certainly, if they believe that too much is being paid, have an opportunity to have their say. They have the final say as to whether they approve the particular sale or the particular new vet that is coming in there.

The discussions that have been ongoing appear to have caused the whole episode of good will to have quietened down. The fact that we only have one district without a veterinarian right now is an indication that things are going reasonably well. We are certainly aware of what you mentioned in terms of we do not want to see it go too high but, on the other hand, we want veterinarians to feel that they have something at stake by staying in a particular location, because that is also to the good of the livestock industry and producers at large. So I think there is a balance that has been achieved on both sides of the issue. I hope that balance will remain.

Mr. Uruski: The Minister did not comment on the Arborg sale, whether the board and the department were involved in it and whether they are satisfied that whatever good will, if any, was involved in that area.

My second question is, are there some—they may not be written, but are there some guidelines now that the board in fact is following or has followed in terms of this whole question? Do they look at the value of the actual practice and then do they take a percentage of that as the use of good will plus equipment? I know the balance that we talk about, but are we using some guidelines in this whole area? Sort of they may not be written but at least an understanding between the Veterinary Association and the province. I would hope that eventually that is where we would have evolved.

Mr. Findlay: With regard to the Arborg sale, we do not know the value of what was paid for good will. All that we know is that the board approved the veterinarian, and we are very pleased with the individual who is there and operating out of that clinic.

With regard to guidelines for good will, a figure of 20 percent has been talked about. It is not etched in stone. It is kind of, you might say, a loose guideline or a target figure that we would hopefully think that boards and veterinarians might think of as an upper limit. But without a surplus of vets around, it is not easy to sell a practice. I think that will keep a lid on the level of good will as much as anything else.

Just one other comment, we have the answer to a question asked earlier about the level of support to the Veterinary College in Saskatoon. The level of support is \$11,000 per student, and we have 48 students there now for a total of \$528,000 to the Department of Education.

Mr. Uruski: I would ask that the Minister instruct the board to be vigilant on these sales and to actually inquire when sales transactions are being made because he just basically admitted to me that the monitoring is very loose if at all. We should be doing a job of monitoring because what—and I am sure the Minister does not want to and I certainly would not want to get himself into the position of after the fact approving a sale and not knowing about it, and not knowing how much good will may have occurred—he knows about the sale—and then coming up with a number of other sales that come to him and people pointing the finger at him after he raises the concerns and says, gee, this may be too much. This may be above that loose guideline. The argument will come, well, somehow you guys approved this one.

I am just asking the Minister to make sure that his board and his staff do monitor this whole area fairly closely, because this is one that in fact I would say can undermine the whole integrity of the public system that Dr. McPhedran and previous Governments have worked very hard to establish and to have a good practice. I know the difficulty from time to time has been to attract veterinarians to rural areas. So one has to have that balance and, while I philosophically oppose those values, I am enough of a realist to know that they go on, whether it is the hotel business, whether it is the cab business, wherever it is, it is there.

I certainly recognize that in terms of one's practice as a veterinarian, because one does as an individual ultimately sell himself, it is his rapport, his abilities or

her abilities and his or her rapport with the people ultimately is what really makes that veterinarian either be respected and have more business than they can handle, or those same qualities or lack of qualities is what moves veterinarians out of an area. They have to desire to be with rural people, to be with animals and have their knowledge and those combination of qualities is what makes it. But we cannot, I believe, in the long term allow this to get out of hand, and I just ask the Minister to consider my comments.

* (1650)

I would like to ask the Minister, on the drug and semen, since we are doing both of those, what was the actual sales for last year, for the year ending March 31, 1988, where we had budgeted, I believe, \$6.13 million there? Did we use up the entire funding? Were we short? What was the actual amount of sales last year?

Mr. Findlay: The Member was asking for revenue. The revenue was sales, \$5,851,000 plus \$980,000 totalling \$6,831,000 total revenue.

Mr. Chairman: Item 4.(c)(1) Salaries—pass; 4.(c)(2) Other Expenditures—pass.

Mr. Uruski: Mr. Chairman, I believe, we agreed that we would allow Resolution No. 15 to pass as well.

Mr. Chairman: Resolution No. 15: Resolved that there be granted to Her Majesty a sum not exceeding \$7,912,500 for Agriculture, Drugs and Semen Purchases for the fiscal year ending the 31st day of March, 1989—pass.

Order, please.

Item 4.(d), Soils and Crops Branch, (1) Salaries.

Mr. Laurie Evans: Mr. Chairperson, I have relatively few questions here but probably a little more specific than some of them before. Could the Minister indicate how many of the 45 professional and technical staff are in the forage crops area?

Mr. Findlay: 2.19 staff years.

Mr. Laurie Evans: That was the type of answer I was hoping I would not get, Mr. Chairperson. This has been a pet peeve of mine for many years as the Minister may know. I would ask whether the Minister has any plans in mind to bolster the amount of input into the forage crops area considering that forage crops is such a significant component of the overall industry in that not only is it a crop in terms of the seed that is sold, but also it is the backbone of the livestock industry as well.

I would just indicate to the Minister that it is also a concern within the Faculty of Agriculture in that the two staff members who I am sure he knows, Dr. Clark and Dr. Storgaard, who have been in the forage section of the Faculty for many years, are both retiring in 1989. At the present time, I do not think there is any guarantee

that they will be replaced within the forage breeding management area because, as the Minister is probably aware, there is tremendous pressure on from the biotechnology area so the management of the Faculty are certainly under pressure to look at other areas as a replacement.

I think in part it is due to the fact that, rightfully or wrongfully, the Manitoba Department of Agriculture has been identified over the years as not placing particularly high emphasis on forage crops either.

Mr. Findlay: The Member has a point there, but I think what we are looking at here is just two people in head office in Winnipeg. Going back to one of his earlier questions when he talked about getting people out of the city, in addition to those two positions, there are five specialists, one in each region outside of the City of Winnipeg, in the northwest, southwest, central, southeast and Interlake, as well as in each of those regions each of those specialists will have one technician. So there are about 10 staff years in total as grassland specialists beyond these two positions that are here in head office. So really, in terms of the activity of the department, there is a total of about 12 positions—10 outside the city and two inside.

Mr. Laurie Evans: I think it is fair to say, Mr. Chairperson, that the forage input in the Province of Manitoba has been almost entirely in the forage management area. There, to my knowledge, is not a single breeding program dealing with the major forage crops, such as brome grass, alfalfa or any of the other major ones. I would ask the Minister whether he has considered dealing through the Forage Council or some other agency within Manitoba that would coordinate what is going on at the federal level, the provincial level, and the university level, in terms of addressing the whole issue of forage crops with perhaps the idea eventually of having greater input into the development of forage crops that are specifically developed and adapted to Manitoba or more so to the prairie provinces. But I think there needs to be a thrust in that direction and I hate to say it, but I think there has been a lack of leadership at all levels in taking a look at that forage area, specifically.

* (1700)

Mr. Findlay: Certainly the Member's point is well taken in the fact that the value of forage—and I think the Member for the Interlake (Mr. Uruski) will well know the value of forage. Certainly there has been a lot of forage seed produced up in that area because of initiatives taken not only by the department but by producers, and the valued input of people who are into the export business or business of cleaning and selling seed. Everyone is playing a role in promoting the production of forage seed. There is no question there is a good market for forage seed inside and outside of this country. But there is the Forage Seed Producers Association which has been doing an active job in this direction. There is the Manitoba Forage Council which has just been formed, involving industry, producers, Manitoba agriculture and university people.

So there is a recognition of the value of forage. I think the Alfa Mills out at Minnedosa are another

recognition of the ability to market forage. I cannot fault the department for lack of work in the past. I think what has happened in the Interlake is a good example. What has happened along the southern side of Riding Mountain is a good example in terms of developing forage. If I look back 20 years ago to the kind of forages they grew in those clay sloughs they just did not get very much. They could not get cereal crops to grow there.

In the past five to ten years there has been significant assistance in there in terms of showing the producers how to establish good stands of alfalfa and there are some incredibly good crops grown. I think we are moving in the right direction, maybe not fast enough for the Member's satisfaction but there is no question that we have an ability both to sell and to export seed and cubed forage and there is, I think, some work going on right now in terms of being able to compress the alfalfa bales into smaller units for the export markets. So there are opportunities there. There is need to be pursuing those opportunities and we will, through the department, do the best we can.

Mr. Chairman: The hour being 5 p.m., and time for Private Members' Business, committee rise.

Call in the Speaker.

IN SESSION COMMITTEE REPORT

Mr. Mark Minenko (Chairman of the Committee of Supply): The Committee has adopted certain resolutions, directs me to report same and asks leave to sit again.

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

MOTION presented and carried.

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

PRIVATE MEMBERS' BUSINESS DEBATE ON SECOND READINGS PUBLIC BILLS BILL NO. 2—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 2, The Business Names Registration Amendment Act; Loi modifiant la Loi sur l'enregistrement des noms commerciaux, standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

BILL NO. 3—THE CORPORATIONS AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 3, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

BILL NO. 13—THE MANITOBA HYDRO AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Flin Flon (Mr. Storie), Bill No. 13, The Manitoba Hydro Amendment Act; Loi modifiant la Loi sur l'Hydro-Manitoba, standing in the name of the Honourable Minister of Finance (Mr. Manness).- (Interjection)-

Mr. John Plohman (Dauphin): Mr. Speaker, I would like to speak on this Bill.

Mr. Speaker: Is it agreeable to leave it standing in the name of the Honourable Minister of Finance? (Agreed)

Mr. Plohman: I think it is particularly appropriate to speak on this Bill today, seeing we have just completed a couple of committee hearings with Manitoba Hydro dealing with, to a large extent, the impacts of the trade deal on Hydro and on Manitoba's ability to control and set prices as it sees fit in the future, and to use Hydro for economic development reasons, and social reasons to meet the needs of Manitobans and Canadians generally.

The amendments in the Act that has been proposed by my colleague, the Member for Flin Flon (Mr. Storie), are very important in that they, to the extent possible within the powers of this Legislature, attempt to ensure that Manitoba will continue to be able to do just those things that I have mentioned, to price electricity the way it sees fit and to ensure that it can be used for economic development reasons. We are very hopeful that all Members of the Legislature will support this Bill because it is important, I think, that we exercise prudence and caution when dealing with something as important as the free trade deal is to Canada, the trade deal that has been negotiated, and its potential impacts without knowing details of the specifics that we be cautious and we be prudent as legislators in our response of exercising our role as responsible for the affairs of the province that we represent. Gosh knows, we should be concerned.

We have many reasons to be very concerned about the trade deal and its impact on hydro. Those reasons come from many sources. They do not just come from the New Democratic Party and therefore can be dismissed by the Government side as being political in nature. They have come from an Alberta judge who has made some very profound statements on all aspects of the energy of the Free Trade Agreement. They have come from the Centre for Research and Public Law and Public Policy at a conference that was held in Osgoode Hall Law School. They have come from the president of Manitoba Hydro in a very veiled way yesterday at the hearings. As a matter of fact, they have also come from the counsel for Hydro in terms of the legal opinions that they have provided.

So they have come from many different sources and we should therefore be listening very carefully because these are very credible sources. They are asking us to open our eyes and they are providing us with very responsible criticism and critique of this deal. We owe

it, because of our responsibility, to take those statements very seriously.

Judge Marjorie Bowker in her analysis of the agreement made this observation when referencing the energy provision. She said, "Canada, under Article 904, must export to the U.S. a fixed proportion of our total energy at a price no higher than our domestic price." She says, "Canada has thus given away its control over supplies and pricing and, with that, any hope of national energy self-sufficiency."

Ian Blue at the Osgoode Hall Conference in his analysis that was done, legal opinion, said in a number of different areas that we should be very concerned about what this means for energy in Canada. He said that the Supreme Court ultimately decides that Parliament may override provincial approval requirements. If Parliament does so, the regulation of electricity in Canada and the Canadian electricity business will be profoundly affected. "Such a move would crack the foundations of provincial control of electric power"—a very powerful statement.

* (1710)

He also says that Article 904A of the FTA allows restrictions on electricity exports only if the restriction does not reduce the proportion of electricity exported to the U.S. relative to the total supply of electricity in Canada compared with the proportion prevailing in the most recent 36-month period, which again severely ties our hands insofar as reducing exports, if that should be necessary at any time in the future. Those are just a couple of excerpts from two very credible opinions on the impact of the trade deal insofar as energy is concerned in Canada.

In addition to that and we hope, Mr. Speaker, I should add first that Bill No. 13 will address those concerns to the extent possible. But Hydro has their own opinion which substantiates those of the independent opinions. The question was asked to the counsel of the Hydro, can the Manitoba Government or Manitoba Hydro, in selling electricity, decide to sell at a lower price within Manitoba to interprovincial buyers than it would to buyers in the United States. What provisions of the Free Trade Agreement lead to the answer? The answer that came from the counsel to Manitoba Hydro, nothing in the FTA prevents the Manitoba Government or Manitoba Hydro through the MEA from selling electricity at a lower rate to a buyer within the province than to the buyer in the U.S., provided that the price in each case was freely negotiated and reflected market factors. There is the proviso that we should be very concerned about. "Where such discriminatory prices are contained in a preferential rate scheme set by legislation or regulation or the result of a government measure, such prices could amount to export restrictions and therefore could offend the provisions of the FTA." That comes directly from the counsel to Manitoba Hydro.

In addition to that, we have the most disconcerting and unequivocal statement of all that came from the President of Manitoba Hydro only two days ago in committee. It seemed obvious to us—I notice the Minister responsible for Hydro (Mr. Neufeld) is listening

as well. It seemed obvious to us that Manitoba Hydro was attempting to toe the Government line insofar as its support of this trade deal, to play down any concerns. So they did that throughout the statement that was made by Mr. Beatty, the President and Chief Executive Officer of Manitoba Hydro, but they left open so many questions. So many equivocations were made that it is impossible to draw any comfort and any solace from this statement that was made by the president.

He made statements. He said, in the opinion of management, the agreement is not likely to cause major problems for Manitoba Hydro in the foreseeable future, many equivocations in that one statement. He said, specific aspects of the agreement might affect Manitoba Hydro. He said he based statements on our past experience with export activities. Our past experience is not going to apply in the future because of the FTA. He says, in making reference to the agreement, that certain provisions of the agreement are somewhat ambiguous and susceptible to a wide range of differing opinions or interpretations—he used the word. He said that our conclusion is that Manitoba Hydro will be treated as a commercial exporter when, in fact, it is not a commercial exporter. It is a Crown corporation that is there to serve the best interests of Manitobans, of this province.

He said that the conclusion of Manitoba Hydro here is that the effects of the proportionality provisions should be minimal, and on and on and on with all of these equivocations, which do not give anyone listening to this any reason, least of all the Government, to feel any comfort that Manitoba Hydro has given them a clean slate, a clean bill of health insofar as supporting this trade agreement because they are not giving that kind of support. They are raising a number of questions. They are raising veiled concerns. If anyone reads carefully, they can see that those concerns are there and support our concerns.

All of these references that I have made in the statements that have been made from independent legal opinions, that are made from the counsel for the Manitoba Hydro, that are made from the President of Manitoba Hydro, can be summed up in one paragraph, and they can be summed up this way. What protection does the Free Trade Agreement offer us? Virtually none is the answer. The agreement goes out of its way to make clear that all United States trade laws and countervail remedies still apply, so we have gained no protection for us. Canada relinquishes the right to control the price of energy exports by Government action. Article 903 says: "Neither party shall maintain or introduce any tax, duty or charge on the export of any energy good to the other Party, unless such tax, duty or charge is also maintained or introduced on such energy good when destined for domestic consumption."

So it says, on the one hand, that it has to apply both to the domestic consumption as it does to export, so you cannot have discriminatory pricing or differential pricing for the benefit of Canadians, for Manitobans, for economic development purposes, incentive rates. You cannot do that under this agreement. Members on the Government side should read those lines and

understand those lines. They are very serious and they should be expressing and taking action accordingly, expressing a great deal of concern.

As well, we should be concerned because the trade deal does not make any distinction between oil and gas and electricity, which is priced very differently. We should be concerned because the trade deal eliminates the National Energy Board's third price test, that third price test that the "price of the electricity exported should not be materially less than the least-cost alternative in the proposed market area." That is being taken out now at the request of the U.S., and Canada will no longer be able to use that as a criteria in establishing export prices.

We should be concerned as well with this agreement because the trade deal goes beyond GATT in that any reductions due to any shortages that Canada and Manitoba, and Manitoba Hydro in this instance, would want to make must still allow the proportional access to the other party. The proportionality clause still applies for reductions even during times of shortages. That should be of great concern to the Government.

Therefore, we have introduced a Bill, my colleague has introduced a Bill to do what we can do to the extent possible within the powers of this Legislature to ensure that we are protecting Manitobans in the future because of all of these uncertainties and all of these questions. Therefore, we as legislators in this Chamber here today have a responsibility, both on the Government side and Opposition sides, to ensure that we are taking every reasonable and cautious and prudent step to protect the future interests of Manitobans.

This agreement would apply for an awful long time, and I think it is incumbent on each and every one of us to search our consciences and to ensure that we stand up for Manitoba's interests in the future by passing this amendment to The Manitoba Hydro Act now to protect Manitoba's interests in the future. That is essential for Manitoba's interests.

Mr. Deputy Speaker: The Honourable Minister of Energy and Mines (Mr. Neufeld), on a point of order.

Hon. Harold Neufeld (Minister of Energy and Mines): The Member for Dauphin (Mr. Plohman) quoted from Mr. Beatty's submission to the committee on Tuesday and I would like to add a few of the -(Interjection)- He left the impression that Mr. Beatty was not in favour—

Some Honourable Members: Oh, oh!

* (1720)

Mr. Deputy Speaker: Order, please. The Honourable Minister does not have a point of order. A matter of clarification is not a point of order.

The Honourable Member for Dauphin (Mr. Plohman), with a final minute to conclude his remarks.

Mr. Plohman: I was going to conclude my remarks but, in view of what the Minister has raised, I just want to indicate to this House that, yes, indeed I did quote

only certain portions of the statement. It is obviously much too long to read the whole statement into the record, and it is in the record insofar as Mr. Beatty is concerned. It was done so at the committee stage.

But let us not forget that those equivocations and concerns and unclear statements are there, and I referenced those to ensure that all Members can understand that Manitoba Hydro, the Chief Executive Officer, the President, are expressing concerns and they are trying to tell this Government something and it will not listen.

Mr. Deputy Speaker: The Honourable Member's time is over.

Order, please. The Bill will remain standing in the name of the Honourable Minister of Finance (Mr. Manness).

BILL NO. 16—THE REAL PROPERTY AMENDMENT ACT

Mr. Deputy Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 16, The Real Property Amendment Act, standing in the name of the Honourable Member for Lac du Bonnet (Mr. Praznik). Is there leave to allow the Bill to stand in the name of Honourable Member for Lac du Bonnet? (Agreed)

Mr. Jerry Storie (Flin Flon): You have that backwards. The House has to give leave to allow a Member to keep it standing in his name if he is not here to speak on it.

Mr. Deputy Speaker: The Honourable Member for Flin Flon to Bill No. 16.

Mr. Storie: I appreciate this opportunity. It is rather unfortunate that Members on the Government side have not chosen to respond to many of the Bills that have been introduced by Members on this side, whether it be the amendments to The Hydro Act or the amendments to The Real Property Act, Mr. Deputy Speaker, amendments that are extremely important, that are timely and that speak to real needs in the administration of the affairs of the Province of Manitoba. My colleague, the Member for Dauphin (Mr. Plohman), I think, has spoken quite eloquently for the need to amendments to The Manitoba Hydro Act which would protect Manitoba Hydro, protect its sovereignty, protect the interests of the people of Manitoba for the long term.

I am pleased to have an opportunity to speak to the amendment proposed by my colleague, the Member for Elmwood (Mr. Maloway), amendments to The Real Property Act. This particular set of amendments is designed, I think, to do two things. No. 1, I think it is designed to demystify the land title process. It is common wisdom that lawyers draft laws for lawyers to be interpreted by lawyers and others in the judicial system. Over the last many years, there has been a move afoot on the part of legislators in many jurisdictions to attempt to demystify the law, to translate

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laws into English, to make the intent of laws more clear and more understandable for average people.

What the Member for Elmwood (Mr. Maloway) was attempting to do, and I have to say that I join him in his desire to see this done, was to simplify the process for transferring title, for registering title in the Land Titles Office. There is no need for the complex language used in the documents which are normally used to transact business at the Land Titles Office. It is an expensive process which costs time and money and is a source of frustration to virtually every homeowner in the Province of Manitoba.

I would hazard to guess that thousands and thousands of transactions occur every year, the majority of which stem from the transactions of individual homes from the possession of one owner to another that are uncomplicated if you really look at the facts. The only thing that makes them complicated is the fact that the legal jargon, the forms that individuals have to use to fill out the necessary documents for transfer are complicated, unnecessarily so, use language which is not normally understood, and are designed to frustrate the average person in his desire to transact his own business.

Mr. Speaker, I know that others have spoken and suggested that while you do not need a lawyer to transfer title, to register title in the Land Titles Office, the fact of the matter is that in many cases, particularly when we are talking about a real estate transaction, a residential real estate transaction, lawyers will refuse to cooperate with a potential purchaser if there is no lawyer involved in the transaction. I know, from personal experience, that is the case, that lawyers prefer to deal with other lawyers. Sometimes they even advise their clients not to go ahead with the sale of a particular property because of the lack of legal counsel for the purchaser, and it is frustrating for those many people who would like to save themselves some money, who would like to put the onus on themselves for transacting these kinds of matters.

Mr. Speaker, I indicated earlier that other jurisdictions have taken the time to simplify both the language of the law and the language used in the forms associated with such transactions to make it easier for the layperson to transact their own business.

If we really believe that people should be taking their affairs in their own hands, that people should be relying on themselves, becoming self-sufficient, then I think that we as legislators have an obligation to allow them to do that. What this Bill proposes to do is to require the Land Titles Office to provide assistance in the technical matters that frustrate, if you will, those who are about to transfer title or register property.

I do not think it is a particularly onerous requirement. I think the Member for Elmwood (Mr. Maloway) made it very clear in his introductory remarks that his intention would be to see some responsibilities transferred within staff of the department, rather than additional staff, and that way avoiding the complication of having a Private Member's Bill which requires the Government to spend money. It seems to me that there are a couple of things that could be done that could facilitate this

process without the spending of additional dollars on the part of the Government.

The fact of the matter is that this legislation would save hundreds of thousands of dollars of unnecessary legal expenses over the course of a single year. I know that the legal profession and the Law Society reacted with some horror at this suggestion, but the fact of the matter is that most residential transactions, real estate transactions, occur without incident, and I do not think I would be far off if I said 99.9 percent of real estate transactions occur without difficulty. There are no liens, there are no other mortgages attached to the property in question. The fact is that even those kinds of situations can be discovered with relative ease.

* (1730)

Unfortunately, the average person attempting to purchase a home, be it their first or second or whatever, does not know that, and there is no simple way for them to find out the current practice at the Land Titles Office, and they have developed manuals for supposed ease of application and processing which are not really of much benefit to the average person who is unfamiliar with the format, the forms, the language that is required in real estate transactions.

Mr. Speaker, it seems to me that this Legislature could choose very easily, very simply, to pass these amendments to require the Attorney-General's Department and the Land Titles Offices to provide the kind of assistance that this Bill references.

In principle, we are not just talking about demystifying the legal process. I think we are also talking about demystifying professionalism, professionals, professional occupations as well. The law is, in fact, ours. We have a collective responsibility for its development and its enforcement, and it does not seem to me right that in pursuing that, in passing legislation and implementing it, we should be making it complicated when we can make it simple. We should not make it complex and obscurantist when we can make it simple and understandable.

The fact of the matter is that we cannot point the finger at a Government or a jurisdiction when we talk about the unnecessary complexity of legislation. We have seen this develop over the past several decades across jurisdictions, across administrations. I have referenced the fact that British Columbia and some jurisdictions in the United States have made efforts to deprofessionalize, to make the law more understandable and more workable from a layman's point of view, with limiting degrees of success.

I know that in British Columbia there were manuals prepared by the Attorney-General's Department for pursuing real estate transactions. I know that the Attorney-General's Department in British Columbia in the early Seventies prepared manuals on divorce, estate preparation, probate wills or whatever. There are several necessary processes that an average individual will go through in their lifetime, in their life cycle, whether it is purchasing property or preparing a will or dealing with the estate of a deceased person.

All of those things are, I believe, unnecessarily complicated by the wording of legislation and by the

involvement of professionals. That is not to denigrate the role of professionals, whether they are lawyers, accountants, doctors, teachers or anything else, but I believe that we have an obligation to make all of the processes as understandable as we can. To the extent that we can do this, that we can make it easier for people to transact their own business on their own time without incurring significant expense—we are not talking about \$10 or \$20, we are usually talking about hundreds of dollars here—I think we should be doing it, and I can think of no good argument for not doing it.

I have discussed with lawyers the implications of these recommendations, and I know that clearly there are some people who stand to lose from these amendments. Lawyers would lose some income if a significant number of people decided that they could take on this responsibility without significant risk on their own. They would be the losers in the sense that this legislation would encourage people to do it on their own and not seek professional advice, other than in very complex circumstances or where there were complications that arose in the process of filing the necessary papers and so forth.

Mr. Speaker, I think we as legislators have to be responsible not only to those professional associations, whether it is the Manitoba Law Society or the Manitoba Medical Association or the Manitoba Teachers' Society. We also have an obligation to provide leadership when it comes to the involvement in the every day practices of life. If you believe that involvement of the individual in a democratic society is good, if you believe that the more an individual can take responsibility for their own fortune, if you believe that is good, then we should be doing these kinds of things. We should not be afraid because we are going to step on someone's toes to do them. If they make sense and if it is possible, then we should proceed.

I think that is the point that the Member for Elmwood (Mr. Maloway) was trying to make. The Member for Elmwood referenced the fact that the Law Society took a very dim view of this particular amendment. I would be surprised if they did otherwise. To say they have a slight conflict of interest when you are talking about moving some authority from the legal profession to the average person would be an understatement. I can understand why they view this with some suspicion. They are motivated in this instance by self-interest.

The fact of the matter is that individual members of the public have from time to time done these transactions, transferred title from individual to individual, purchased property, registered title without the services of the legal profession. The fact that there are few instances over the past few years indicates that, because of the complexity of it, people have come to rely on their services, I think, unnecessarily. If we can take one small step to put power back in the hands of people, if we can take one small step to empower people rather than disenfranchise them by virtue of the language that we use, the complexities that we introduce, then I think we should do it. This is one place to start.

If people will reflect, and I know Members here from suburban Winnipeg know that when they contact their

constituents, particular in suburbia and those areas where we are seeing significant new housing, if you knock on doors and ask those people if they would like to see an amendment come in that would simplify the process, make it easier and less expensive for them to purchase a home, you would find almost unanimous agreement that was a good idea. So while it may step on some toes, that does not mean it is not a good idea. If you believe, as I do, that there are many, many people out there who would take on this responsibility if we had faith in them and would give them an incentive to do so and I think that is the case, then I think we should go ahead and do it.

I commend this amendment to the House. I hope that we will see some free and open discussion on it. I am going to be interested to see whether the Conservatives and the Liberals are prepared to stand up for the little person, to see whether they believe that the average person should have the right to do this and that it should be partly our job to make it possible for them to do that. We will be able to tell by their remarks. Thank you.

Mr. Deputy Speaker: The Honourable Member's time has expired. Order, please. The debate on this Bill will remain standing in the name of the Honourable Member for Lac du Bonnet (Mr. Praznik).

BILL NO. 20—THE WATER RIGHTS AMENDMENT ACT

Mr. Deputy Speaker: On the proposed motion of the Honourable Member for St. Norbert (Mr. Angus), Bill No. 20, The Water Rights Amendment Act, standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

POINT OF ORDER

Mr. Deputy Speaker: The Honourable Member for St. Norbert, on a point of order.

Mr. John Angus (St. Norbert): Being unfamiliar with the Rules of this House, this motion, this Bill which I think is very important has been asked to be stood. This is the second time that it has been stood in a Member's name who is not here to speak on it. Is there a procedure for either insisting that he is here to speak on it or pass it on to a committee stage where we can discuss it and debate it with intelligence?

Hon. James Downey (Minister of Northern Affairs): On the same point of order.

Mr. Deputy Speaker: The Honourable Minister of Northern and Native Affairs (Mr. Downey) on a point of order.

* (1740)

Mr. Downey: Yes, the Member is quite correct. He is inexperienced. The first thing that he shows in that regard is that he made reference to the fact that the Member was not in the House. I would think that he would refrain from indicating the same.

Secondly, it is the prerogative of any Member to ask that a Bill be stood. It has been a long-standing tradition and it will be dealt with as quickly as the Member whose name it stands in can get to it. I will assure him that I will speak to the Government House Leader (Mr. McCrae) in that regard.

Mr. Deputy Speaker: The Honourable Member for Flin Flon (Mr. Storie), on the point of order.

Mr. Jerry Storie (Flin Flon): I think the Member for Arthur (Mr. Downey) has missed the point. I think the Member for St. Norbert (Mr. Angus) was quite right in that the Government does have an obligation to speak to these Bills. Many of them have been standing an inordinate amount of time. While the Member is new and that is quite true, it does not mean that it was not a good idea. I think the fact that the Member for Arthur has been here a long time and his mind has become somewhat addled is an indication that sometimes good ideas come from new Members.

Mr. Deputy Speaker: I thank all Honourable Members for their advice, and just wish to advise Members of the House that it is by leave of the House that the Bill stands in the name of the Honourable Attorney-General (Mr. McCrae).

Mr. Angus: If I may, without incurring the wrath of the House, may I ask what happens if that leave is denied by any individual Member?

Mr. Deputy Speaker: For all Honourable Members, just to advise them that if leave is denied then the Bill is then open for debate. If no one is prepared to debate it, then the question could be put.

I believe it has been agreed to allow the Bill to remain standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

BILL NO. 22—THE LIQUOR CONTROL AMENDMENT ACT

Mr. Deputy Speaker: On the proposed motion of the Honourable Member for Concordia (Mr. Doer), Bill No. 22, The Liquor Control Amendment Act, standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

BILL NO. 25—THE UNFAIR BUSINESS PRACTICES ACT

Mr. Deputy Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 25, The Unfair Business Practices Act, standing in the name of the Honourable Minister of Finance (Mr. Manness).

Mr. Richard Kozak (Transcona): I have a few comments, but I am sure there might be leave on the part of Members. There may be other Members wishing to speak on it.

Mr. Deputy Speaker: Is there leave to remain standing in the name of the Honourable Minister of Finance (Mr. Manness). (Agreed)

The Member for Transcona (Mr. Kozak).

Mr. Kozak: Thank you, Mr. Deputy Speaker. I would like to put forward a few brief remarks on Bill No. 25, The Unfair Business Practices Act. The function of the Department of Consumer and Corporate Affairs is to protect the citizens of Manitoba from abuse by the private sector. However, we should recognize that in a free society the individual must, to some degree, accept responsibility for his or her own fate. Thus, the Liberal Party in Manitoba believes that the Department of Consumer and Corporate Affairs should not smother free enterprise through overregulation. Instead, the department should play a greater educational role in making the public more aware, thus allowing the public to make more informed choices.

Having stated this general principle, I hasten to add that I have no sympathy with the use of false or misleading representations as the basis for any commercial transactions. I join the Honourable Member for Elmwood (Mr. Maloway) in condemning exaggerated claims regarding quality or performance, low ball estimates of cost, quotation of a partial price rather than the total price and misrepresentations regarding availability. I have no objection to the Member's suggestion that this House provide a redress mechanism for the elderly, the incompetent, and persons with disabilities. However, Mr. Deputy Speaker, the Member for Elmwood (Mr. Maloway) and I part company on several points.

An Honourable Member: Hear, hear!

Mr. Kozak: I note that the Member proposes sanctions on suppliers who make "a misleading statement of opinion." Opinions are not facts. I am at a loss to suggest an objective standard whereby an opinion is deemed misleading. Bill No. 25 also suggests placing an onus on the supplier to determine that the consumer is able to pay. The supplier cannot force the consumer to give proof of his resources. He cannot always run a security check. He may be forced to judge the ability to pay largely on appearance. This strikes me as discriminatory and could indeed imply human rights violations.

A conscientious supplier determined to respect human rights could well find himself facing a substantial increase in administrative costs. I hardly need suggest that this would almost certainly lead to price inflation that would not serve consumers' interests. Regrettably, Bill No. 25 ventures further into stormy waters. Having offered protection to the elderly, the incompetent and persons with disabilities, the Bill treats all consumers as being unable to act in their self-interest. A competent individual, educated to be an informed consumer, as we in the Liberal Party suggest, should be able to evaluate the benefits and affordability of a purchase. We do not dispute the rightful place in our laws of reasonable rights of withdrawal and rescision, but we are not prepared to discard the concept of the smart consumer, an ideal which we believe most Manitobans can obtain.

* (1750)

In conclusion, in my role as Finance critic for my Party, I have expressed concern in this House about the competitiveness of Manitoba's system of taxes and regulations vis-a-vis other provinces. My concern in this respect is not minor and is well documented in Hansard. As a general rule, Mr. Deputy Speaker, I favour lightening the burden on both business and the individual taxpayer so that living and doing business in Manitoba will over time become more of an economically sound proposition. I take this opportunity to point out to Honourable Members that my advocacy of punitive taxes on products that pollute our environment rest on three necessary arguments: (1) that pollution threatens our economy, our quality of life, and our lives themselves; and (2) that I balanced my call for a stick in the form of punitive measures with the call for a carrot in the form of Manitoba's exempting pollution control equipment from sales tax; and (3) that a majority of provinces share my position.

I oppose the Free Trade Agreement with the United States partly because Manitoba's freedom of action in social policy matters will be further eroded if we have to compete, not only with neighbouring provinces, but also with the lowest level of regulation and taxation available in the United States. But, here and now, I ask the Honourable Member for Elmwood (Mr. Maloway) to agree that action that might be deemed as unfriendly to business or the individual is not presently an economically-sound proposition. I ask him to keep an open mind during committee consideration.

As I have stated, this Bill offers Members of this House the opportunity to take some positive measures on behalf of consumers and I urge Members of all three Parties to advance to committee consideration with that in mind.

Thank you, Mr. Deputy Speaker.

Mr. Steve Ashton (Thompson): I have a few comments on this Bill. I would like to indicate first of all that I have no hesitation whatsoever in congratulating the Member for Elmwood for this Bill and a series of Bills that he has introduced in this Session of the Legislature as Consumer Affairs critic for the New Democratic Party.

I fully support his efforts to provide a fairer deal for consumers in Manitoba and I think if more and more people become aware of Bill No. 25, in its few brief pages and what a difference that could make for consumers, I think that perhaps the Liberal Member who just spoke might have a different approach to this particular Bill.

Quite frankly, I feel he misunderstands what is happening, of what this Bill is aimed at doing in terms of the marketplace, misunderstands the fact that this Bill is essentially dealing not with the situation that you are faced with with the normal business operation, the legitimate business operators, but a small group of individuals, rip-off artists, who keep reappearing under different names when their scam does not work or it gets caught under a certain name, that keep taking advantage, not just of the elderly and incompetents, but the average consumer.

In fact I can point to the Liberal Member, if he wishes, two examples in my own constituency which I raised

in this House a few years ago. The Eat Rite Foods situation, where people in my constituency and in Gillam in the constituency of the Member for Churchill (Mr. Cowan), were sold a bill of goods in regard to purchases of frozen bulk foods.

The interesting thing was how difficult it was for consumers when they realized they had been ripped off to take action against this obvious rip-off outfit, Eat Rite Foods. I dare say, Mr. Deputy Speaker, that the Liberal Member might care to look at what is happening and he would find that there are similar operations in effect today. In fact, one of the previous owners of Eat Rite Foods is operating a similar operation at this very point of time and I will tell you how they operate.

They move into communities such as Thompson or Gillam, isolated communities, where the cost of living is somewhat higher, and then they suggest to people that somehow the purchase of bulk foods is going to save them money. In the particular case in Thompson, they actually told people they would save them money in comparison to Safeway. Well, did it save money for the consumers? No. In fact, they found that they were paying as much as double the cost at the local Safeway, or in the case of Gillam, double the cost at the local co-op.

Despite the fact that this misrepresentation was put in place, they had tremendous difficulties in taking the company to court. In fact, one person did persevere, took Eat Rite Foods to court, did win a judgment from the court and then found that they folded the company and moved in and operated another company. I say that is unacceptable. I say that an operation such as that should be curtailed, and that we need legislation like Bill No. 25 with some teeth in it to do it.

The suggestion made by the Liberals, and I assume the Member is speaking for his entire caucus—I am not always sure because there are differences sometimes between the more right wing elements and the few in the caucus who might be considered more progressive—if he is speaking for his caucus, I am quite surprised that he essentially has missed the point once again. We do have education in place for consumers. We have had education in place for quite some time. I know one of the features of consumer legislation dating back to 1969 has been education and conciliation. The fact is that education has not stopped Eat Rite Foods and other similar rip-off outfits. It has not worked. What we need is, yes, education, but we also need tough consumer legislation to defend the rights of consumers.

In fact, it is just not Eat Rite Foods. The Member for Elmwood (Mr. Maloway) outlined I think the other problem we are faced with, and that is in regard to home improvements. There have been a series of problems in rural and northern communities related to rip-off outfits once again. The classic scam is that you get this outfit that comes into town, talks to people and particularly takes advantage of the elderly, but not specifically. It takes advantage of people generally.

The Member for Elmwood (Mr. Maloway) outlined how a senior citizen in his mid-seventies had ended up being charged \$32,000 for home improvements

which the senior did not need and could not afford. Often it is a combination of high pressure selling tactics and misrepresentation that causes this particular situation. This Bill, Bill No. 25, helps protect against circumstances such as that. It happened, educationally, for the Member for Transcona (Mr. Kozak), in my own constituency. I had a number of calls from people. The problem once again was in terms of the fact that our current process that is in place deals with mediation. There was very little that the Consumer Affairs Bureau could do for these individuals even though they had obviously been ripped off. There had obviously been misrepresentation and sales tactics which I would call nothing short of reprehensible taking place. It happened in other communities as well so it is not strictly related to Thompson.

The bottom line was existing legislation could not deal with the problems that had been outlined. That is where this Bill, which is part of a package actually of consumer legislation, that the New Democratic Party is bringing in, to go beyond strict education which seems to be the Liberal approach, and putting some real teeth into consumer legislation in this province. I would suggest that the Liberal Members, before they finalize their position on this, talk to some of their constituents.

I can tell you one of the biggest frustrations that comes across to me from constituents in the area of consumer legislation is the fact, Mr. Deputy Speaker, that there is not the teeth in the legislation. People who phone the Consumers Bureau say that they are quite friendly, they are quite helpful in terms of information, but they often find to their surprise, to their shock, to their dismay, that there is nothing that the Consumers Bureau can do for them, even though, as I said, in many cases they have been clearly ripped off.

I do not think the sense that we have heard from the Liberals in this particular situation is the sense that is out there amongst the general public. The general public will support legitimate businesses, the 99.9 percent that are legitimate, but they want that .01 percent, they want them to be controlled and, if possible, even put out of business. In fact, I would suggest to the Liberal Members that they should consider what has happened in the case of the two specific kinds of rip-offs I refer to. These are not the strict and only rip-offs that have taken place. In fact, the Member for Elmwood (Mr. Maloway) mentioned the fact that the Consumers Bureau has received in the neighbourhood of 2,584 complaints this past year of which 1,330 were resolved by mediation. Those statistical breakdowns are available. There are many other rip-off scams.

I want to mention the two, the Eat Rite Foods, and I want to mention the home improvements because, in both of those cases, what happened was the local businesses lost business in the case of the Co-op or Safeway and in terms of home improvements. The legitimate local businesses in Thompson lost business because of these rip-off outfits which came into the community. In fact, what those rip-off outfits did was something that no local businessman would ever do.

I have talked to a number who are quite concerned, businessmen themselves, who have said that they had

a reputation to live up to and they would never ever have that same type of tactic. They would never take advantage of people that way. They will continue to operate in that way. They will not be affected by this legislation. They will not be prohibited in terms of their normal business practice.

In fact, the reason these other outfits are able to come in to Thompson or Gillam or any other rural and northern communities is because they do not have to have repeat business. They come in, they take advantage of people and they leave. They do not have to worry about a reputation. That is why one of the main recourses that the consumer really has which is the ability to say I am never going to shop there again and I am going to tell everybody that I know, the word of mouth, which is probably the key to the survival of any business, does not apply in those particular cases. I would refer the Member to those two specific cases because they were well documented in this Legislature.

Mr. Deputy Speaker: The Member for Transcona (Mr. Kozak), on a point of order.

Mr. Kozak: I believe that inadvertently the Honourable Member for Thompson (Mr. Ashton) is imputing to me the motive of protecting the 1 percent of fraudulent operators within this province. I feel it should be pointed out on the record that my remarks, if he will reread them, do not preclude addressing that particular problem or the problem of additional protection for the elderly, incompetent or disabled. If he will reread my remarks, I think he would be more than pleased to withdraw this particular line of address.

Mr. Deputy Speaker: Order, please. The Honourable Member for Transcona (Mr. Kozak) does not have a point of order, as a dispute over the facts is not a point of order.

Mr. Ashton: If the Liberal Member is concerned, I will indicate that I had no intention of suggesting that he was attempting to do something for those illegitimate operators. My concern was the lack of protection that the Liberal position would give to consumers. That is my concern. I will continue in debate in stressing that, because I think the Liberals are misguided in this particular situation. I do not think that perhaps they have looked, perhaps because they are not familiar with some of the rip-offs that have taken place, as are some of us who have been in this House these last number of years where it has been raised, for example, in Question Period. I know some of the Members who have been here the last several years will recall, for example, when I raised Eat Rite Foods in this Legislature, when in committee we had discussion by Members of both the New Democratic Party and the Conservative Party about some of the rip-offs that were taking place in those rural communities.

Mr. Deputy Speaker: Order, please. When debate is next resumed on this Bill, the Honourable Member will have six minutes remaining.

The hour being 6 p.m., this House now stands adjourned until 10 a.m. tomorrow morning (Friday).