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**Fourth Session — Thirty-First Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**

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The Honourable Harry E. Graham  
Speaker*



**VOL. XXVIII No. 59B - 8:00 p.m., THURSDAY, 15 MAY, 1980. REVISED**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty - First Legislature**

**Members, Constituencies and Political Affiliation**

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Name	Constituency	Party
<b>ADAM, A. R. (Pete)</b>	Ste. Rose	NDP
<b>ANDERSON, Bob</b>	Springfield	PC
<b>BANMAN, Hon. Robert (Bob)</b>	La Verendrye	PC
<b>BARROW, Tom</b>	Flin Flon	NDP
<b>BLAKE, David</b>	Minnedosa	PC
<b>BOSTROM, Harvey</b>	Rupertsland	NDP
<b>BOYCE, J. R. (Bud)</b>	Winnipeg Centre	NDP
<b>BROWN, Arnold</b>	Rhineland	PC
<b>CHERNIACK, Q.C., Saul</b>	St. Johns	NDP
<b>CORRIN, Brian</b>	Wellington	NDP
<b>COSENS, Hon. Keith A.</b>	Gimli	PC
<b>COWAN, Jay</b>	Churchill	NDP
<b>CRAIK, Hon. Donald W.</b>	Riel	PC
<b>DESJARDINS, Laurent L.</b>	St. Boniface	NDP
<b>DOERN, Russell</b>	Elmwood	NDP
<b>DOMINO, Len</b>	St. Matthews	PC
<b>DOWNEY, Hon. Jim</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>EINARSON, Henry J.</b>	Rock Lake	PC
<b>ENNS, Hon. Harry J.</b>	Lakeside	PC
<b>EVANS, Leonard S.</b>	Brandon East	NDP
<b>FERGUSON, James R.</b>	Gladstone	PC
<b>FILMON, Gary</b>	River Heights	PC
<b>FOX, Peter</b>	Kildonan	NDP
<b>GALBRAITH, Jim</b>	Dauphin	PC
<b>GOURLAY, Hon. Doug</b>	Swan River	PC
<b>GRAHAM, Hon. Harry E.</b>	Birtle-Russell	PC
<b>GREEN, Q.C., Sidney</b>	Inkster	Ind
<b>HANUSCHAK, Ben</b>	Burrows	NDP
<b>HYDE, Lloyd G.</b>	Portage la Prairie	PC
<b>JENKINS, William</b>	Logan	NDP
<b>JOHNSTON, Hon. J. Frank</b>	Sturgeon Creek	PC
<b>JORGENSEN, Hon. Warner H.</b>	Morris	PC
<b>KOVNATS, Abe</b>	Radisson	PC
<b>LYON, Hon. Sterling R.</b>	Charleswood	PC
<b>MacMASTER, Hon. Ken</b>	Thompson	PC
<b>MALINOWSKI, Donald</b>	Point Douglas	NDP
<b>McBRYDE, Ronald</b>	The Pas	NDP
<b>McGILL, Hon. Edward</b>	Brandon West	PC
<b>McGREGOR, Morris</b>	Virden	PC
<b>McKENZIE, J. Wally</b>	Roblin	PC
<b>MERCIER, Q.C., Hon. Gerald W. J.</b>	Osborne	PC
<b>MILLER, Saul A.</b>	Seven Oaks	NDP
<b>MINAKER, Hon. George</b>	St. James	PC
<b>ORCHARD, Hon. Donald</b>	Pembina	PC
<b>PARASIUK, Wilson</b>	Transcona	NDP
<b>PAWLEY, Q.C., Howard</b>	Selkirk	NDP
<b>PRICE, Hon. Norma</b>	Assiniboia	PC
<b>RANSOM, Hon. Brian</b>	Souris-Killarney	PC
<b>SCHROEDER, Vic</b>	Rossmere	NDP
<b>SHERMAN, Hon. L. R. (Bud)</b>	Fort Garry	PC
<b>STEEN, Warren</b>	Crescentwood	PC
<b>URUSKI, Billie</b>	St. George	NDP
<b>USKIW, Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, D. James</b>	St. Vital	NDP
<b>WESTBURY, June</b>	Fort Rouge	Lib
<b>WILSON, Robert G.</b>	Wolseley	PC

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Thursday, 15 May, 1980.**

**Time — 8:00 p.m.**

**BUDGET DEBATE**

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** The Honourable Minister of Labour.

**HON. KEN MacMASTER (Thompson):** Mr. Speaker, I want to thank you for the opportunity to participate in this debate. I rise, Mr. Speaker, with a great deal of pride in the budget that was unveiled the other night by my colleague, the Minister of Finance. It's a budget of which all Manitobans can be proud because it serves the best interests of all our citizens. The reaction by the public has demonstrated this, the comments of the honourable members opposite, notwithstanding.

Our government was elected on a solemn pledge to serve the best interests of all Manitobans regardless of their occupation and no matter where they live. The responsible economic, financial, social and health care programming of our government has proved that we are doing exactly what our Premier and what we promised to do in 1977.

This is the third budget by our government. You'll have to agree, Mr. Speaker, that each budget has improved upon the last one, and that even our first budget, in my opinion, was a vast improvement upon any of the budgets fostered upon the people of Manitoba by the previous government. The economic climate of Manitoba and the financial responsibility of the provincial government have improved tremendously since 1977, Mr. Speaker. I think we sometimes forget the fiscal irresponsibility of our predecessors.

I think their last deficit was around the 190 million mark. If we related that into today's dollars, it's probably equivalent to 220 or 230 million. Contrast those figures with the 140 million deficit projected in this year's budget and the actual deficit could be much lower, Mr. Speaker. After all, last year's deficit was originally estimated at 123 million, and today, Mr. Speaker, it appears that the final amount will be substantially lower in the range of 45 million.

We all know that deficits aren't just bookkeeping figures for the amusement of accountants. Deficits are bills which have to be paid; bills which have to be paid by the taxpayers of Manitoba. I think it's remarkable the manner in which the present Minister of Finance and our government have managed to bring the provincial deficit under control.

We are no longer, Mr. Speaker, being irresponsible in borrowing millions and millions of dollars to pay for our current operating expenses. That's the way our predecessors liked to do it. Rather our deficit is mainly for capital expenditures, which in my opinion is a legitimate and proper way to finance such things.

Mr. Speaker, I don't intend to spend a lot of my time detailing the numerous commendable contents of the budget, but it isn't easy to restrain myself in doing so. After all, just consider, just consider, Mr. Speaker, it's wide-ranging and positive impact on all

people of our province, on the people after all who pay, Mr. Speaker, for the services and programs provided by their government.

As the Premier likes to remind people, government doesn't generate any great amounts of wealth or revenue, rather government pays its bills by taxing the citizens whom it serves. This Budget clearly illustrates that we don't require excessive and onerous taxation to serve our citizens well. This Budget benefits our senior citizens; it benefits our lower income families and our business community; it benefits, Mr. Speaker, every citizen in Manitoba, even those who smoke and drink. Senior citizens have benefited with the doubling of the income supplement benefits for pensioners and by the significant increases in the school and property tax rebates. Our senior citizens have also benefited by the changes to the SAFER housing program. Nor have we forgotten those, Mr. Speaker, who have retired earlier than the traditional age of 65. The reduction of the age requirement by 10 years for income supplement benefits and for SAFER is a mark of a government concerned about all its citizens.

Mr. Speaker, one goal of our government has always been to provide provide funds for those programs and to those citizens who need them most. Prudent fiscal responsibility dictates we must do so because taxpayer dollars should not be squandered on make-work projects, just to massage the ego of a particular Cabinet Minister. Taxpayer dollars must not be used to try and buy re-election of individual MLAs. I don't believe we should sacrifice the economic well-being of our taxpayers. I'm proud, Mr. Speaker, to be a member of a government which refuses to trifle with the pocketbooks of its taxpayers and which refuses to squander money like it came from some Monopoly game. I know of no sensible Manitoban — and the resounding vote given our government in the last provincial election shows that most Manitobans possess buckets of common sense — who would object to a government's approach of directing money to those who most require it. This Budget will accomplish that objective, as well as greatly benefiting many low income families.

The 100 jumps in the property tax credit minimums and maximums will benefit all citizens, Mr. Speaker, whether they be homeowners or renters. As the Minister of Finance indicated previously, the net result of these increases will be that many homeowners, many homeowners in Manitoba, will be paying less in property taxes to their local municipality councils and school boards this year.

Our government also recognizes the special position of the low income families with child-related income support programs. The CRISP bonus of 30 a month per child will make significant difference to those who qualify. The special rent subsidy is another example which illustrates that a government can combine, Mr. Speaker, can combine compassion and concern together with fiscal responsibility and sound management. The Budget and the White Paper underline the reality of more working parents. The 9.5 million budget for day care, as well as noon

hour and after school programs, will be applauded by many.

The members opposite like to decry the strong economy in Manitoba, Mr. Speaker. They seize on any scrap of data, no matter how insignificant it may be, and from that they try to generalize a landscape, a picture of economic woe. I think of the Member for Churchill who used his personal grievance this session to berate our government for supposedly not caring about job creation in northern Manitoba. Our government promotes employment opportunities for all Manitobans, wherever they live. You know that, Mr. Speaker, and that's why we have aggressively pursued a policy of job creation in the private sector. A policy, Mr. Speaker, which has been more successful than our friends opposite will ever admit. Our record speaks for itself; 11,000 new jobs during our first year in office; another 12,000 to 13,000 jobs during our second year. In each one of those years, we created more jobs than the NDP did during their last three years in office. Yet the members opposite, often led by the Honourable Member for Brandon East, like to put on their pink-coloured glasses and pretend nothing positive and progressive is happening in Manitoba. I suggest they go and talk, Mr. Speaker, go and talk to the 24,000 or 25,000 Manitobans who are now working, and who didn't have jobs two-and-a-half years ago, because those jobs simply did not exist. Our government hasn't conjured those figures, Mr. Speaker; they come from the federal government in Ottawa.

Another thing, Mr. Speaker, is the private sector has responded in my opinion because of the progressive and responsible administration our government has provided. Many of the jobs are permanent; that's another factor which the members opposite do not like to admit. I have always been intrigued by the enthusiasm of socialists for believing government is the best job creator. Give us your tax dollars and we will create the jobs, they say. Of course those jobs likely will be merely substitutes for welfare. Jobs with no economic justification; jobs wholly and totally dependent on the public purse; jobs whose sole purpose is to transfer people off the welfare rolls so that the socialists can pretend they have done something. They have done something to increase the economic independence of those receiving the jobs, and in addition, of course, it makes the unemployment figures look something different.

Mr. Speaker, there are instances where local government projects of a temporary nature have in fact helped the community, also in fact, the workers involved. I don't foresee any government abruptly ending such programs. However, it is economically blasphemy for members opposite to try and jump at any achievements in job creation in economic independence. The people of Manitoba pay, and they pay dearly because our predecessors dogmatically followed the notion that make-work projects are somehow economically viable.

The other day, the Member for The Pas asked about several make-work companies which were funded before our government took office. The performance of those companies since then illustrates the folly in calculating such jobs in their economic performance report. Mr. Speaker, I know that all Manitobans were heartened by the Minister

of Finance's prediction that real growth in the provincial economy will be up approximately 2 percent this year; 2 percent is positive, realistic and a conservative prediction. Manitoba, after all, is not Alberta or Saskatchewan. We do not possess the petroleum and the natural gas resources of our western prairie neighbours. However, I am glad that somebody in Canada owns such resources, because I would not want Manitobans or Canadians to be at the mercy of the OPEC nations.

We are fortunate Canada has rich energy and mineral resources, and we are fortunate that in most instances we have free enterprise Conservative governments in charge of those resources so that our citizens may receive maximum benefits in terms of job creation, industrial development, and tax return. Although we don't have the energy resources of Alberta and Saskatchewan to fuel our economic growth, Manitoba and its people, Mr. Speaker, do have many strengths. Many provinces envy the diversity of our economy, with agricultural, mining, and our broadly based manufacturing sector. Businessmen, union leaders, working men and women, and our Progressive Conservative government, know that Manitoba can grow and prosper.

We have unlimited potential as an important supplier of goods in the development of the new west. The Conference Board of Canada which forecasts a real growth of 1.8 percent this year for Manitoba says, and I quote: that Manitoba's fabricating industries are the most diversified of the four western provinces and that we may be in an ideal position to benefit from the strong primary sector of growth in Alberta and Saskatchewan.

Mr. Speaker, we will be in that position. The policies of our government and the programs of the Minister of Economic Development are seeing to that. Our manufacturing section will also be there to provide the necessary goods and services, as our other sectors like agriculture, mining, tourism, grow. Naturally all of us would like to see Manitoba Hydro resume its northern construction programs. However, most of us realize the quality of building just for the sake of building without markets for that power. Most Manitobans understand the fiscal irresponsibility of the former administration in building a 40 percent excess capacity. Our citizens now know that the northern Hydro extravaganza is costing them millions of dollars annually in unnecessary interest rate payments, and they applaud our government for deviously acting to freeze Manitoba Hydro consumer rates for five years.

Mr. Speaker, my friends opposite will protest that northern Hydro projects created jobs. Of course they created jobs, but at what cost to the taxpayers and the citizens of Manitoba? The Premier has often said, You don't buy five cars and put four of them in the garage, just because you know that at some future date, cars will cost more. Yet that is exactly what the former administration did with Hydro. As a Manitoban who lives in the north, I don't just visit there the odd weekends since being elected, I especially want Hydro projects on the Nelson and the Churchill to begin again. However, I know that when it does happen, our government will ensure it is done on a responsible financial basis. Our citizens have paid too much already for energy which has no

buyers, for government-made airplanes which have no buyers, and for Chinese food that has no buyers. As I said a minute ago, Manitoba Hydro power projects means job creation, and when such projects are undertaken in a responsible manner, the economic importance of those jobs must not be underestimated. We are not talking just about several thousand jobs directly at Limestone, but we are talking about several thousand more spinoff jobs throughout the province in terms of goods and services, which any development will require.

Just think, Mr. Speaker, how much worse the NDP's weak job job creation record would have been without Hydro, and how much better our superb record would have been with Limestone. Think also, Mr. Speaker, about what fiscal responsible Hydro development in the north will add to the economic progress of our province and what it will do to our already low unemployment rate. As members of this House will recall, in December the seasonally adjusted unemployment rate dropped to a three-year low. Last month, Mr. Speaker, it was .7 percent less than it was a year ago. When a government's policies can prompt the private sector to add approximately 24,000 new jobs in two years, the provincial unemployment rate has to benefit.

Some of the members opposite like to put on their pink coloured glasses again and try to convince themselves that unemployment is tied to population. In their minds, and in their minds only, a low unemployment rate is directly related to the size of the Manitoba population. So when the rate moved down, they howled that the reason for the drop was that people were leaving Manitoba. However, when the rate fluctuated up slightly, the same members opposite didn't blame it on people coming back to Manitoba. Of course, Mr. Speaker, the silence of the members opposite was understandable. They had realized how foolish their first argument was and decided they would appear to be wiser if they kept quiet the second time round. Of course, nobody with half an ounce of common sense would have made out that population tied to unemployment argument in the first place, nor would anybody with any degree of intelligence attempt to equate Manitoba's economic and social prosperity with the size of its population. Rather than belabouring that point at this time, I'd like to suggest to the members opposite that they read an article on population in the recent edition of the Manitoba Business. It's written by a John McCallum who is on the Faculty of Administration Studies at the University of Manitoba. It might even enlighten my friend, the Member for Brandon East, who has a peculiar fascination with what is happening in the moving vans in the bedrooms of our province.

Mr. Speaker, I was talking a few moments ago about northern Hydro development and its potential for job creation and economic growth in Manitoba. As the Financial Times reported in its recent extensive report on our province, one of Manitoba's major strengths as it enters the 1980s is its abundance of electricity and the price at which it can be offered to business. We all know that a proposed Western Power Grid is the key to a quick resumption of northern Hydro projects. I'm confident that the interests, the interests of all Manitobans and the future of Manitoba Hydro, will be safeguarded by the

Minister of Energy, who also happens to be the Minister of Finance and the man instrumental for the excellent budget which we are now praising and applauding.

My department is actively preparing young Manitobans to be able to take advantage of the growing economic opportunities in our province. The Manpower division has begun significant new initiatives to increase the chances for young men and women to become skilled in the blue-collar trades. We have designated several more apprenticeship programs, such as the tool and die makers, power electricians and moulders. We are actively working to train workers for those jobs which we commonly refer to as critical skill shortages. Relocations for northern native people taking jobs in urban centres is another way we are tailoring our efforts to help the more disadvantaged.

As Minister of Labour and Manpower, I was particularly happy to see the sales tax removed from safety devices. Our government has pursued an aggressive program of Workplace Safety and Health since taking office. In fact the current legislation had only been in place for less than two months and it was our government which had to provide the responsible direction and interpretation of that legislation.

My department and the Department of Mines, recently sponsored a two-day conference on mine safety, held in Flin Flon, that drew representatives from unions, from companies, from the government; the Member for Flin Flon was present and the Member for Churchill was present. The conference was held just a few weeks after the Wright Report on Safety in the provinces mine industry. My predecessor, who's now Minister of Cultural Affairs, had appointed the Wright Committee. It was another example of our government's genuine concern and interest in workplace safety and health.

Mr. Speaker, I can't help but comment that conditions didn't worsen October 11, 1977; conditions in the mines were identical two weeks before, three weeks before, a year before. What I am saying to you, Mr. Speaker, is, it was left to our government to establish a review of mine safety for the working men and women in that industry. It was left for our government to establish that review.

As I told that conference in Flin Flon, safety and health in the workplace are very important to me and to our government. Industrial growth and economic expansion, together with job opportunities which they bring, are also very important. However, our government does not intend to needlessly sacrifice the workplace safety and health of Manitoba workers. We know that employers, unions and workers share our sentiments. The Wright Committee made 77 recommendations for improving workplace safety and health in the mining industry. The Flin Flon Conference agreed the most practical way to use the report was to have a committee indicate the feasibility of implementing the various recommendations. We're now in the process of establishing that committee, this committee which will have representatives from both unions and mining companies. It is important, Mr. Speaker, that these representatives be active in our mining industry so they will bring both experience and realism to the committee.

Our emphasis, Mr. Speaker, has always been on voluntary co-operative action from industry and workers. I don't believe in the extra legislation and severe penalties if the volunteer approach will work. Simply put, I believe that voluntary is always better than compulsory. This belief, Mr. Speaker, has also determined the tone of labour relations in Manitoba. Mr. Speaker, both labour and management have indicated that they support this belief. They want to operate with the minimum of red tape and government restrictions.

I should also mention, Mr. Speaker, that we've recently established a review committee to review the Workman's Compensation procedures in Manitoba. I expect that report to come down shortly and I hope that it also gives this government the opportunity to take the ideas from working men and women in this province and implant them into different procedures that will benefit working men and women in the province.

The dramatic turnaround in the province's construction industry exemplifies the success of this approach. My department provided the opportunity, the opportunity, Mr. Speaker, for the leaders of the construction industry, from both unions and from management, to renew their relationship with each other. I asked Cam McLean, the Chairman of the Joint Labour and Management Review Committee to establish a special construction industry sub-committee to try and deal, Mr. Speaker, with the mistrust and the hatred which had built up over the last few years and which had exploded in the devastating 1978 strike. My department sponsored a seminar at Hecla Island and took 10 leaders from both sides out to that particular seminar for a few days. However, the new beginning would not have happened, would not have happened, Mr. Speaker, without the voluntary participation and sincere commitment of the union and the company officials. They braved skepticism and ridicule. This year's bargaining wasn't easy but, Mr. Speaker, an agreement has been obtained without too much blood-letting around the bargaining table.

Mr. Speaker, the health care sector is currently in ongoing negotiations to try and resolve the thorny and tricky question of essential services during strikes or walkouts. Our government is on record that we will not allow a labor dispute in the health care field to harm the life or limb of any of our citizens.

Governments, Mr. Speaker, always have recourse to legislation in such disputes, of course, but nobody, I don't believe, Mr. Speaker, nobody likes to use it.

I congratulate the union and the hospital leaders for their honest attempt to deal with this issue before the problem arises, and I wish them well.

In closing, I would remind Members of this House that a very important vote is scheduled for next Tuesday in the province of Quebec. As the Premier has indicated, this is not the time for an extensive debate in the Manitoba Legislature about the vital issues being addressed by our fellow Canadians in Quebec. I think our Premier and the Premiers of the other western provinces have precisely outlined western attitudes and sentiments on sovereignty association and the need for a renewed federalism in Canada. As the four western premiers agreed at their

recent meeting in Lethbridge, for Canada to survive as a strong and united country, immediate steps must be taken to deal with the aspirations of all Canadians.

The Premiers also stressed the need for a new constitution that will accommodate the needs and concerns of western Canada and other parts of this country. They agreed that the objectives of such constitutional reform must be to ensure that all provinces have the opportunity to build upon their strengths and thus to share in and contribute to a united and prosperous Canada. The western Premiers said they are prepared to consider a wide range of constitutional proposals, but they rejected the concept of sovereignty association because it means two separate countries with two separate citizenships and no common parliament.

Our Premiers and our counterparts from Saskatchewan, Alberta, and British Columbia flatly stated they would not negotiate sovereignty association and said any other assumption is a dangerous illusion.

On the other hand, Mr. Speaker, the Premiers also said they would interpret a No vote on the May 20th referendum as a vote against separation and a vote in favor of intensive negotiations for constitutional change, because the status quo remains unacceptable to western Canadians, as it does to Quebecers.

I hope that the message from our western Premiers has been correctly and adequately transmitted to the people of Quebec. It's a message which I fully support and which I know is fully endorsed by many other Canadians. It's a message which calls for flexibility in order for national unity to prosper.

I want to again quote from the communique of the four western Premiers. They agreed: Western Canadians hope that the people of Quebec and the people of the western provinces can continue to work together as members of Confederation, to contribute to and to share in the great opportunities and the potentials of Canada. With our country's vast size and enormous resources, the future of a revitalized Canada will be assured, united by a modern constitution, Canada can realize its potential as a leading nation in the world.

The western Premiers were positive, optimistic, forthright with the people of Quebec. I believe they know our feelings and our hopes to build a better Canada, and I'm optimistic that the majority of Quebecers want to build their futures within a new and dynamic and united Canada.

Finally, Mr. Speaker, I want to echo the congratulations and sentiments of many Manitobans, and commend the Minister of Finance for a budget which will help to secure economic and social prosperity for all our Manitobans.

Mr. Speaker, in closing, I would like to say to you, that if I was in Quebec, or had been asked to talk to people in Quebec, I would talk to them, Mr. Speaker, about a young man like myself who started out in this country with very little, who had the opportunity to walk across this country and work at just about all aspects of society. I had the opportunities to work in Ontario, the opportunities to work in the Prairies, the opportunities to work in the logging camps and the pipelines in British Columbia. I had the opportunity to

sail for five years in the Navy and to tingle as I left Canada to go to a foreign port, and tingle more when I came home. I have had the opportunity, Mr. Speaker, and I would share this with Quebecers, the opportunities of a man who nothing really to start with, who ended up in Thompson, Manitoba 20 years ago, got married and had the opportunity to be blessed with enough friends, to be a Cabinet Minister in the government of Manitoba. I would ask them to share this country with me and share the opportunities the country has. Thank you.

### INTRODUCTION OF GUESTS

**MR. SPEAKER:** At this time I would like to draw the honourable members' attention to the gallery on my right, where we have the St. Paul's Pack from Fort Garry, under the direction of Mr. T. Sale. This Cub Pack is in the constituency of the Honourable Minister of Health. On behalf of all the honourable members, we welcome you here this evening.

### BUDGET DEBATE (Cont'd)

**MR. SPEAKER:** The Honourable Member for Portage.

**MR. LLOYD G. HYDE:** Thank you, Mr. Speaker. I appreciate the opportunity to participate in this Budget Debate.

I want to take this opportunity to congratulate the Minister of Finance and his staff on bringing forth a budget that will make the 1980s a decade of recovery of recovery and stability, a decade of opportunity and of promise for the people of Manitoba.

Mr. Speaker, I want to go on record today in support of the policy decisions made by the Progressive Conservative Party of Manitoba for the 1977 campaign. It was necessary that restrictive programs be implemented when we took over as government. I am pleased that this government can now take the measures to ease up on that decision now that the deficit column of the ledger is considerably brighter.

Mr. Speaker, I am pleased that our government passed legislation to eliminate a few of the nuisance taxes that we found ourselves with. We eliminated the succession duties, the gift taxes and the mineral acreage taxes. These taxes were considered to be nothing more than just nuisance taxes.

It is important to note, Mr. Speaker, that while the huge deficit inherited by this government has been effectively reduced, reducing it has not been at the expense of the people of Manitoba. Simultaneously to the reductions in the government deficit was a reduction in small business corporate taxes and personal income tax, which provide a competitive tax base for the private sector in the province of Manitoba.

Mr. Speaker, Manitobans will not be faced with a Hydro rate increase for approximately another four years. This is one of the major incentives introduced by the Manitoba government, designed to curb inflation and stimulate economic development in our province. We know, Mr. Speaker, that this move to freeze the rates of Hydro was criticized by the opposition but I also know, Mr. Speaker, very well,

that the farmers, the developers, the pensioners and the homeowners in this province can see that this government is not gouging their pockets for every penny. We are a government that has a heart, regardless of what the opposition say.

Mr. Speaker, I welcome the proposals for a western electric power grid that has been signed by the provinces of Alberta, Saskatchewan and Manitoba. This will create power sales in western Canada of up to 1,000 megawatts to Alberta alone by 1987. I feel that the initiative taken by this government in this area will provide an important economic thrust by providing jobs both at the construction level as well as the manufacturing level.

Our economy will benefit considerably, Mr. Speaker, through the proposed mining development of our ore bodies at Flin Flon and potash at St. Lazare. Our government must continue to work towards building a desirable climate for mining development and these announcements indicate to me that much has been accomplished. Recent private forecasts support our projects and suggest that Manitoba's real growth in 1980 will not only be above the national average but also the third highest in the country, ahead of all provinces except the major oil producers, Alberta and Saskatchewan.

Mr. Speaker, the rational development of our hydro-electric resources is the first priority and, I am sure, will be a key component of any national energy and economic program. Without federal help, we have taken a series of important steps, including the rate of stabilization plan announced last year and the active development of major new Canadian and US markets to insure that Hydro will bring substantial new benefits not only to Manitoba but also, as a direct result, to all Canadians. Our Progressive Conservative government, Mr. Speaker, has been and will continue to be committed to the provisions of essential services for all Manitobans.

In the area of health care, I welcome the addition of a 15-bed personal care home and renovations to the MacGregor Hospital, which will reduce the number of acute care beds to eight from the existing twelve. The 16.4 million allotted to personal care homes in Manitoba, Mr. Speaker, represents this government's concern for the people of Manitoba. I would hope that the proprietor over operated personal care homes, including Portage's Holiday Retreat, will see fit to expand their operations. The government has thought, through the shelter allowance for the elderly renters program, provided direct assistance to senior citizens with low and moderate incomes who pay rent. We realize the effects of inflation on people on fixed incomes in this province.

In the field of education, Mr. Speaker, the Minister of Education and his department have been aware for some time that the financing of education required a revision and updating. While the property tax credits have provided welcome relief for homeowners and renters from increased reality taxes for educational purposes, it is still necessary to provide sufficient funds directly to the best possible education opportunities for the pupils under their jurisdiction. Accordingly, the government announcement by the end of this fiscal year it plans to bring forward proposals to implement

improvements in the school grant system should be universally welcome.

Mr. Speaker, of immediate benefit to school boards and taxpayers alike is the announcement that the cash flow of grants earned by the divisions during their financial year will be speeded up, thereby reducing the interest costs to the school divisions in the province, with the ultimate effect, of course, of reducing their expenditures. I agree also, Mr. Speaker, that consultations should be undertaken with the municipalities to determine whether or not it is possible to speed up the payment of special levies to school divisions.

Mr. Speaker, a statement which I do not mind repeating but which has been made many times previously in this house is that the agriculture industry remains the backbone of Manitoba's economy. In this province we are blessed with fine resources which, when combined with the energetic and knowledgeable efforts on the part of primary producers, allows us to be a major producer of human food raw materials. I am pleased, Mr. Speaker, that this government can take pride in saying that it supports, without a doubt, the efforts and initiatives of individuals in that industry. Mr. Speaker, the agricultural industry can only be strengthened developing the food processing in this province. Let Manitoba process the raw material she creates. Our government has seen fit to assist in providing 2.4 million for the expansion of the food product centre in Portage la Prairie, to increase research in the food processing industry.

This government is also committed to continued improvement in grain transportation and has supported this. Since the Grain Handling Transportation Conference that was initiated by Premier Lyon in January of last year, a number of important steps have been taken to improve the capacity of grain handling and transportation system to perform adequately to meet market opportunities. The decision made by our agriculture Minister to lease 400 hopper cars on a temporary basis was an important step towards eliminating the bottleneck in our transportation system. The work by the former federal government towards the upgrading of our exporting facilities, but particularly that of the former Transport Minister, Honourable Don Mazankowski, appeared extremely favourable. The commitment made by the Clark government of 42.5 million to expand the Prince Rupert 10-bushel terminal elevator was a definite step towards the targeted increases in grain exports needed by 1985. Unfortunately there has been some indication that the Liberal government may not carry through with the intent of the memorandum of agreement signed by the former Transportation Minister Don Mazankowski to pay for the grain terminal infrastructure at Prince Rupert.

The recent western Premiers' meeting in Lethbridge highlighted the importance of proceeding with the development of Prince Rupert and urged the federal government to honour the commitment made by the previous administration. The Prince Rupert development is in the national interest and would increase Canada's capacity to export coal, potash, grain and other agricultural products. The federal Liberal government must proceed quickly with this matter if it is really serious about the transportation

needs of western Canada. We as a province must hope and strive for the continued improvements in the complex grain transportation crisis.

Mr. Speaker, the provincial involvement in agriculture development through AgraMan and rural water development programs is a further example of our role in aiding Manitoba to achieve higher levels of production and diversification. We must not for political gain create productivity where it cannot economically exist. Self-efficiency may be a desirable economic state, but in the agriculture industry it is far too costly in terms of misguided financial input and production inefficiencies. The role of government should, Mr. Speaker, and hopefully will continue to be, under this government, supportive of agricultural improvements through financial assistance and market and technological development.

Mr. Speaker, we are entering another decade with many questions remaining from the Seventies and prospects of many more questions arising in the Eighties. Problems undoubtedly will be new and challenging in the Eighties, and we must be prepared to meet them. The first preparations for these problems lie in dealing with today's problems in responsible and logical fashion. One question facing our province, Mr. Speaker, is the destination of our Port of Churchill. I strongly support our northerly port and extra moneys, that is moneys beyond necessary social services spent in Churchill should be towards improving its shipping capabilities. The huge federal expenditure in the Churchill complex could have well weighed heavily towards the improved rail transport to the north. Our northern port, the only inland seaport in North America, is not only important to Manitoba, but to all of the prairie provinces. It is important economically, and in the event of another World War, Mr. Speaker, the port would be extremely important to the defence of our North American continent.

Mr. Speaker, it has been a pleasure for me to speak in support of the Budget of the Honourable Minister of Finance. I look forward to more budgets like this one, which is providing for economic stability of our province in 1980, and more opportunities for the people of Manitoba. Mr. Speaker, it is this type of budget brought in by the Honourable Minister of Finance that will brighten the prospects for all Manitobans. Thank you.

**MR. SPEAKER:** Is the Honourable Member for Inkster wishing to speak.

**MR. GREEN:** I wanted to adjourn. If the member is going to speak, Mr. Speaker, I'll let him speak.

**MR. SPEAKER:** The Honourable Minister of Municipal Affairs.

**HON. DOUG GOURLAY:** Thank you very much, Mr. Speaker. I appreciate the opportunity to participate in the Budget Debate. I did not avail myself to participate in the Throne Speech Debate earlier in this session, however I would like to take this opportunity to congratulate you on your resumption of office. In my opinion you have done a very fine job and I am pleased that you are continuing on in this role.



I would also like to take this opportunity to congratulate the three new MLAs that entered the Chamber for the first time this session. By their participation already in this session, I would say that they are contributing greatly to the debate.

I wish to offer my best wishes to the Leader of the Opposition, who was officially elected by his Party members last November, and at this time too, I'd also like to congratulate the Minister of Finance and his staff for putting together a very fine Budget which he ably presented to the House on Tuesday evening.

I noted with interest that the Leader of the Opposition attended a nominating meeting in my home constituency of Swan River just recently, where Leonard Harapiak won the nomination by acclamation. According to the newspaper reports, Mr. Harapiak, who I might add is a very fine person and one who I have a lot of respect for, was promised a senior Cabinet position by the Leader of the Opposition after the next provincial general election. I think this is a pretty courageous sort of a promise, especially when . . . Obviously, the Leader doesn't consider he has much Cabinet material around him at the present time to make such an early projection, or an early commitment.

One thing is guaranteed, Mr. Speaker, I'm not sure who will be the PC candidate in the next provincial election at Swan River, but I hope that I have a good chance to participate in it. I know that we'll put up a heck of a fight in the next provincial election in the Swan Valley Constituency and I hope that I am able to have some influence on what happens in the Cabinet decisions at that time. —(Interjection)— Yes, you're right, but I don't intend to lose; I'm going in there to win and I think that's the only attitude that I would want to have.

I am certain that the people of the Swan Valley area are very proud to be represented by a junior Cabinet Minister. I can tell you another fact, that I am very proud to represent that very fine area in the province of Manitoba, and certainly it is my intention to do just that for at least one more term.

I would just like to comment, after the nominating meeting in Swan River just held recently, the Swan River daily paper quoted Mr. Harapiak as criticizing the PC Government of Sterling Lyon for letting public spending get out of hand. Now, I think that is kind of a ridiculous statement. All we have heard in the last two or three years is the restraint program and the lack of spending that this government has been accused of

He also goes on to say that . . . This is a farm area, and he said, The Manitoba government must press for an upgrading of grain shipping. This is certainly true and I think that one can only recognize the very fine efforts that have been done in the last couple of years by the Premier of this province, in co-operation with the Minister of Agriculture of this province, together with the Premiers of the other western provinces and, of course, their Ministers of Agriculture. I think that it is only fair to commend the efforts that have taken place in the last couple of years and the amount of grain movements that have occurred. I know in my own constituency I talked to a few elevator agents last fall and they said that a great amount of grain had been shipped out of the Swan River point and, if it kept up at that rate, they

would be out of grain well before the end of this current crop year.

Over the past two years my colleagues have worked very hard to bring back to the people of Manitoba a government that adheres to the principles of fiscal responsibility and accountability. I, as a member of this government, am very pleased with the success we have had in achieving this goal. I feel that the people of this province are much more confident with the way this government is spending the taxpayers' dollars.

To comment briefly on Manitoba Hydro, and again this is the responsibility of our Minister of Finance, the investments that have been made by our government to review the operation and direction of Manitoba Hydro was money well spent. A review of Hydro disclosed that an estimated 500 million-plus of the Manitoba taxpayers' money was spent needlessly. In Judge Tritschler's words, it ranged from reckless to irresponsible.

**MR. SPEAKER:** Order please. The Honourable Member for Lac du Bonnet.

**MR. SAMUEL USKIW:** I would like to know whether the member would like to table such a document which alleges there was a waste of some 500 million in Manitoba Hydro, a copy, or name the page within the Tritschler Report which indicates that, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Swan River. —(Interjection)— Order please. The Honourable Member for Lac du Bonnet.

**MR. USKIW:** Mr. Speaker, I thought the member was willing to provide us with a document that would back up the statement that he has just made . . .

**MR. SPEAKER:** Order please, order please. The honourable member was not reading from a document. The honourable member has a right to accept a question or to refuse a question.

**MR. USKIW:** Mr. Speaker, I will ask the member the question again. Is he prepared to table a document which suggests that the previous government wasted in excess of 500 million on the Hydro development?

**MR. SPEAKER:** The Honourable Minister of Municipal Affairs.

**MR. GOURLAY:** I would be prepared to table my notes, if that is sufficient. —(Interjection)— I could arrange to give you a copy of the Tritschler Report. —(Interjection)— Anyway, you would think that the Opposition would . . .

**MR. SPEAKER:** Order please, order please. The honourable member will have an opportunity to enter debate. I would hope that he would extend the courtesy of debate to other members of the Chamber.

The Honourable Minister of Municipal Affairs.

**MR. GOURLAY:** You would think the Opposition would learn by their past mistakes that we should really take a look at our Hydro markets before we go

and develop costly projects first. In other words, in order to develop these major Hydro projects, we spend billions of dollars and then to turn around and sell that generated power for below cost is something we can't afford to do for very long. Certainly this is what has cost us many dollars in the past.

I think it is important to point out to the public the relationship between the money that is flowing out of our provincial economy to pay for interest on the borrowed capital used to finance our Hydro projects and the money that flows out of our national economy to pay for the imports of foreign oil. This simply reiterates the importance of proper management and timing of the development of Manitoba's greatest Hydro resource. Our government has placed a five-year freeze on Hydro rates to give the people some benefit to plan and utilize to their advantage an energy source which could have been provided for at least 20 percent less than the current cost, had it not been for past mistakes.

It is the intention of our government to ensure that Manitoba consumers benefit from the future development of our energy resource. The five-year freeze on Hydro rates will continue to add to Manitoba's ability to attract new investment and add financial stability to the utility. New economic initiatives centred around policies for energy and the sound, orderly development of Manitoba's extensive hydro-electric resources have been outlined. As part of the program measures to encourage stable growth in Manitoba, this government has proposed the creation of a Manitoba Energy authority to provide a central focus for the province's energy considerations. I feel this is a very positive move. As well, the restructuring of the Manitoba Energy Council has been proposed to encourage public participation in energy matters, conservation, and research and development to aid this energy authority.

My Department of Municipal Affairs is pleased to have been able to negotiate with the federal government the Community Services Contribution Program, who in conjunction with the province provided communities throughout Manitoba with almost 17 million to be used in a wide range of projects determined on the basis of the local needs and priorities of these communities.

I am also pleased to note that the Assessment and Review Committee is presently holding hearings to obtain the views, observations and comments on municipal assessment from the people throughout Manitoba.

Our Department of Municipal Affairs has also recently made a move to further decentralize our planning branch to better serve the rural needs. I might add that just recently new offices were opened in Steinbach, and there will be new offices opening up in Stonewall, Portage la Prairie and Morden in the very near future. These are already in addition to those opened some time ago at Brandon, Thompson and Selkirk.

Mr. Speaker, over the last three years I know that there has been much criticism by the members opposite on our handling of the north and our lack of attention to the needs and development of some of the northern communities. I would just like to say that we are very much concerned about the north,

and we are concerned about the safety of the people in those areas. I'd just like to reiterate some of the programs that were started by the previous administration that we've had to take over and either repair them or upgrade them. Most of the water systems in the northern communities were nonfunctional when we took over as government, and some of the problems that we ran into — I know in one situation in my own constituency at Pelican Rapids, the pump house was constructed below flood level or even the wind tide level, so that most of the time it couldn't function because the pump house was under water. In another community the intake of water supply was downstream from where the sewage was being dumped into the river. The improper installations by the use of wrong pipe, or no drawings as to where lines were installed, made up most of the other problems. It was hard to determine the actual cost of these fiascos, as usually there were extensions of water lines undertaken at the time of the repairs to the nonfunctional water systems.

I do not deny that we have made some mistakes too, and we'll probably continue to do so, but we are not afraid to admit any problems that we may have run into. They don't occur very often, and I would say that the staff that we have with Northern Affairs are very conscientious of their efforts. They put their best effort forward and I believe that we have a very minimum of problem areas within the staff at the present time.

I might add that when we took over as government there were 500 employees in the Northern Affairs portfolio. At the present time there are, I believe, 108 positions. However, we co-ordinate a lot of the activities, where the previous administration had their own service departments.

I would like to briefly mention some of the other problems that have cost us considerable amounts of money in the north. The Norway House Arena, which I briefly mentioned a few days ago in the House, and indicated that it was by accident that we found there was a serious problem with the arena, in that one of the Northern Affairs' staff happened to be in the arena one day late last summer; it was a windy day, and he noticed the end wall was swaying up to two feet, so he called in the labour inspectors to see what the problem was. At that time, the building had been open since I believe 1975 or 1976, and all that was holding the end wall was the roof sheathing, and it was a miracle that this arena had not collapsed, whereby it could have injured many hundreds of people, which would have been a terrible disaster for the community. The inspectors came into Norway House and they ascertained that there had never been an occupancy permit acquired by the local community or by the officials of the Department of Northern Affairs, who were really responsible for the management of the construction of the Norway House Arena.

The inspectors prepared their list of those deficiencies in the arena — I would just like to relate to you some of those problems. Work that had to be undertaken on the building included the installation of heating and ventilating equipment; install all electrical; install existing lighting; install fire alarm system; reconstruct first floor public area to conform to approved design; install fire resistant drywall

where required; install fire exit doors where required; install exit stairs where required; reconstruct second floor support beams; place granular fill around building to provide access to the building; construct landing steps and ramps at exit doors as required; install fire doors; install fire rated glass between public viewing area and arena; install rough-in plumbing; install overhead door to arena; pour concrete floor and supports for bleachers; build and install bleachers; install arena board and related structures; install diagonal struts for roof and wall supports in arena area — these were omitted during the construction — reinstall sway braces far end arena wall, due to item 18 not installed, 19 broke away; place fill inside arena to level off for ice surface. These were some of the things that had to be done in the Norway House Arena to bring it up to the building safety code, and this was estimated to cost somewhere in the neighbourhood of 300,000.

The staff were aware that another arena had been built at about the same time and so they felt it was only reasonable that they should call in the inspectors to look at the Wabowden Arena. I'll just give you a list of what they found out was wrong there: foundation problem — grade beam on east wall is heaving; crawl space, drainage and ventilation; crawl space insulation; second floor support beam not properly constructed - as a matter of fact the beam almost missed the support post underneath — fire resistant drywall not installed where required on walls; fire resistant drywall omitted throughout the entire main floor area; some exit doors to be changed due to not being the proper type or else swing in wrong direction, in other words the crash doors opened inward; handicapped bathrooms required; work stairs to second floor require modification and completion; fire doors required; layout of rooms on second floor changed from original approved design may require change to bring back into line with building code; no ventilation in arena area; exit doors in arena area are approximately three feet above floor level, no steps exit to them, on the outside there was a five foot drop to the ground; seating which to date has not been installed will have to be redesigned due to the ice surface not being placed in the location as the original plans specified; no ramps or stairs or landings provided on the outside of the building at the emergency exit doors. So there was another horror story costing another 300,000.

Now in the case of the South Indian Lake homes, as was mentioned, this expense in relocating the homes was paid for by the arrangement with Manitoba Hydro but serious problems have been identified in the housing situation at South Indian Lake. I would like to just report on some of the conditions of those residences. Many of the homes in the community are experiencing severe problems due to foundation movements. Examples of conditions common in the homes are as follows: Exterior steps are often badly out of alignment due to differential settlement between the step footings and the remainder of the foundations. The perimeter crawl space sheathing is buckling in some cases, due to the crawl space wall settling into the ground. Floors are sloping due to differential movement. Floor tiles are cracking near the centre of the house due to the reversal in the floor slope across the

centre beam. Floor tiles are lifting from the floors near the exterior doors due to frost and moisture entering at poorly fitting doors. Interior and exterior doors jam badly due to the shifting of the homes' foundations and, as a result, many of the doors have been removed by the residents. Wall panelling on interior partitions and exterior walls is buckling in some homes due to shifting of wall sections. Interior partitions are being lifted from the floors in some homes. This occurs when there is an extreme differential movement between the front or rear of the home on the line of support at the centre of the home. Floor decking in several of the homes is rotting and furniture is breaking through the floor in some cases.

In order to fix up the damages to the homes and replace them with concrete foundations, it is going to cost an estimated 540,000.00. So these are 35 homes out of the 93 homes that were inspected.

This morning I had the opportunity to review the Moose Lake Loggers and Channel Area Loggers. People here in this Chamber know that those two companies have had a history of some difficulties. The Moose Lake Loggers for a number of years were running in the red. However, the last three years, they have had very successful operations and they have come out on the black during each of the last three years.

The story of the Channel Area Loggers is not quite as successful. They have had some other difficulties. The management there and the local people are working hard to get Channel Area Loggers in the black but it's likely going to take at least another couple of years to do so.

During the questioning today, it was asked of me whether we would be selling off these two companies because, look, now they were making money. Members here will know that those projects were started in conjunction with the local people and it was hoped that these local people would be able to take over these companies and supply the management, and take over the ownership when it was felt that they would be in a fair position to do so. The Member for The Pas, I think it was, asked me if we were going to be selling them off like we did six other projects in Northern Manitoba. I just happened to do some research on these six projects that were sold off and they certainly don't compare to the type of projects that were initiated at Moose Lake and Channel Area Loggers. I would just like to briefly go over those.

The Minago Contractors Limited, a Thompson-based road construction Crown corporation, was incorporated in 1972. They showed, at the end of October, 1978, a profit of 310,000, but that included provincial grants totalling 745,000.00. In 1976 and 1977 it had been included as revenue in arriving at the accumulated profit of 310,844 at March 31, 1977. The absence of competitive bidding in the awarding of provincial road contracts to Minago rendered suspect the profits earned.

Number two company that was liquidated was Mistik Creek Logging Company, a Cranberry Portage-based logging Crown corporation incorporated in 1976. The loss for the three months ending March 31, 1977 was 45.00. Loss for the year ending March 31, 1978, was 213,800, plus loss on sale of assets, 88,600.00. Total losses were 302,000

and, in addition, there were training subsidies of some 50,000 received from the province of Manitoba. The private operator now employs approximately the same number of people as the provincially-owned company did.

The Churchill Prefab Plant, a Churchill-based house-building project started in 1972, which we have heard discussed in this House from time to time, the financial losses here: Total grants and subsidies received from the federal and provincial governments since inception totalled approximately 6.5 million. Average loss per job for the two-year period ending March 31, 1977 is 14,500.00. This exceeds welfare saving or wages paid to employees. Actual cost of producing the 19 modular houses for MHRC totalled approximately 95,000 per house, excluding land, compared to contract price of some 54,000.00. Losses incurred do not include a possible hidden subsidy.

The Athapap Builders house-building project, with the main plant in Cranberry Portage, saw a small plant in Young's Point started in 1977. Financial losses the first year ending March 31, 1978 were 95,000, adding training subsidies received of 102,000, the total loss was 197,000.00. The cost per training of approximately 7,000 per man year exceeds welfare savings.

Then there was the Pukwagan Log Builders, the Wabowden-based community corporation funded by the province. The financial losses, cumulative losses to December 31, 1977 were 413,489.00.

Those are some more horror stories from the north.

We have been accused of not really providing anything new to the north. All I can say is it's been a very difficult time repairing some of the projects that were started. Obviously the people of the north really don't think we've done very much because the arena was at Wabowden; the arena was at Norway House; the water systems had been installed; the houses had been provided at South Indian Lake and these all add up to millions of dollars to bring them into a functional situation.

I think it is worthy to note that we are concerned greatly with the northern situation and I would like to say that this past year the Communities Economic Development Fund has been stepped up and during the past fiscal year there were 31 loans approved, creating or retaining some 144 jobs. These are meaningful jobs that are being supplied by entrepreneurs in various northern communities, providing services to the communities.

Maximum use of the Special ARDA Grants to fishermen, trappers and forestry projects have been undertaken in the past year. I might add that we have heard in other speeches today of the new development in mining and exploration that is taking place in northern Manitoba.

Through the local government services it is the intentions of the Department of Northern Affairs to progressively transfer authority, funds, and resources to northern communities in a move towards increasing their autonomy and self-administration. Recently there had been an article printed in, I believe, one of the daily Winnipeg newspapers mentioning about the guidelines that had been imposed on the many northern communities and that they were not happy with these guidelines. I would

like to say that the majority of these communities are very pleased with the type of manuals that are supplied to them. These manuals, the information or guidelines, have been in use for many years in the northern communities and it was only in the last year or two that they were printed so that there was some sort of co-ordination of the activities for the various community councillors to work from and the majority of the councils appreciate these manuals. No doubt there are some that feel they are a bit restrictive but they have been, for the most part, working out very well and we are moving towards increasing the number of self administration councils in northern Manitoba.

I have personally met with several community councils and plan on visiting many more during the months ahead. I am keenly interested in how we might work together to improve employment opportunities and social conditions throughout northern Manitoba. In addition to technical assistance given to remote communities in the north such as the maintenance of physical facilities, including safe drinking water systems, roads and public buildings, the Department of Northern Affairs in conjunction with the Fire Commissioner's Office of the Department of Labour and Manpower and the Department of Natural Resources, we are co-operating to bring improved fire protection and prevention to these remote centres. I might add that out of the 50-some communities that come under the Northern Affairs jurisdictions, we have some 32 volunteer fire-fighting resources in some 32 communities.

I haven't said much about the actual Budget Debate but I would just briefly sum up by saying that it's a very humane budget. It's geared to help needy families, senior citizens, and early pensioners with limited resources.

I just would like to briefly refer to an article that appeared in the May 15th issue of the Winnipeg Tribune, re Dauphin born, J. A. Armstrong, Chairman and Chief Executive Officer of Imperial Oil, said here last night he finds little justification for the pessimism I sense these days in Manitoba. Not that he predicted Imperial Oil or any other exploration and development company is about to bring in a Leduc. The upbeat message he gave to the 108th Annual Dinner of the Winnipeg Chamber of Commerce at the Winnipeg Inn was based on Manitoba's almost ideal location to profit from the westward shift of population and economic power in Canada, and I think that this is the message that our Minister of Economic Development has been relaying to this House. I can only sense that Manitoba looks forward to great activity in being able to work together with our neighbouring provinces in the west, especially Alberta and Saskatchewan, who have had considerable industrial development in recent years.

Mr. Speaker, I would like to again thank you for the opportunity of being able to participate in this Budget Debate and I know that the budget will be appreciated by the many municipalities that make up the province of Manitoba, the taxpayers of Manitoba, and I know that the communities served under Northern Affairs will greatly benefit from the many programs that were announced by the Minister of Finance on Tuesday night. Thank you.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS (Brandon East):** Mr. Speaker, unless someone else wants to speak, I would move, seconded by the Honourable Member for Lac du Bonnet that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. MERCIER:** I move, seconded by the Honourable Minister without Portfolio 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 of Supply with the Honourable Member for Radisson in the Chair for the Department of Community Services and Corrections and the Honourable Member for Virden in the Chair for the Department of Agriculture.

### **CONCURRENT COMMITTEES OF SUPPLY**

#### **SUPPLY — AGRICULTURE**

**MR. CHAIRMAN, Morris McGregor (Virden):** I call the Committee to order. We are on Resolution 8, Administration—pass — the Member for St. George.

**MR. BILLIE URUSKI:** Mr. Chairman, yesterday when we left off Committee we were on the program of loans of the Manitoba Agricultural Credit Corporation, that the Minister indicated that somehow inadvertently had been left out of the Annual Report of the Manitoba Agricultural Credit Corporation dated March 31st, 1979.

The Minister promised to bring me details with respect to the pamphlet that he indicated had been distributed quite some time ago through the Ag Rep offices and somehow none of us seemed to have seen any announcements to that effect. Does the Minister have that information for us now?

**MR. CHAIRMAN:** The Honourable Minister.

**HON. JAMES E. DOWNEY (Arthur):** No, Mr. Chairman, I haven't got it yet.

**MR. URUSKI:** Could the Minister tell us what the problem is in getting that information?

**MR. DOWNEY:** No problem yet that I know of, Mr. Chairman, just that I haven't got it here at this particular time, but I said I would provide it, and I will.

**MR. URUSKI:** When does the Minister expect to have the information?

**MR. DOWNEY:** The minute I get it from the Credit Corporation, Mr. Chairman. Very shortly.

**MR. URUSKI:** Are staff from the Credit Corporation going to be here tonight?

**MR. DOWNEY:** No.

**MR. URUSKI:** They are not going to be here tonight?

**MR. DOWNEY:** No, Mr. Chairman.

**MR. URUSKI:** If we have some questions with respect to the workings of MACC, is the Minister prepared to provide all the information for us?

**MR. DOWNEY:** As much as I am capable of, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, in my remarks I had asked the Minister, due to the fact that farmers were in a very difficult period at this time and many of them are facing bankruptcy, whether the Minister would consider amending the loan program, the program that only two people apparently had taken advantage of, the specific Comprehensive Guaranteed Loans Program; whether he would be prepared to amend that program to provide loans to farmers in order to be able to complete their spring work.

**MR. DOWNEY:** Mr. Chairman, I indicated that I felt that there had to be some review done of the interest rate that was being paid on those comprehensive loan guarantees. I also indicated that in some other provinces, where that same type of program had been put in place, that it actually took a two or three-year period for the program to become more used by the farmers of those different jurisdictions. I don't intend on making any major changes, but I do intend on reviewing it and making some minor changes.

Again it is a long-term loan program, and the situation we are dealing with in Manitoba as far as the emergency situation is, in most cases, more of a short-term nature, that this is a long-term guaranteed lending program that is put in place for the longer period.

As I indicated, I don't plan on making major changes to it, but I believe it will fulfill a need as the time, as I said, to be in place to service the farm community.

**MR. URUSKI:** Mr. Chairman, could the Minister then tell us how many applications are pending with respect to this loan program? The program has been in effect for just about two years, less two months, about 22 months, and we have had only two loans approved under that program, the program the Minister indicated was started the 31st of July, I believe, or July of 1978. Could the Minister tell us how many applications were there, or are pending under this loan program now? Is there a lot of interest on this program?

**MR. DOWNEY:** Eight to nine, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, eight to nine applicants at the present time? At what stage are those applications, could the Minister tell us?

**MR. DOWNEY:** Various stages, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, these are in various stages. When were the first two loans approved, Mr. Chairman?

**MR. DOWNEY:** The information that was put forward yesterday to me from the Credit Corporation was in the period after the book was printed. Now I would check that out, and if it was prior to that, then I have been misinformed by the Credit Corporation, but I don't believe so. I indicated yesterday that it was since the report; that is what I said yesterday, and I have no reason to change. They haven't instructed me any different; that it has been since that period of time, so it would be since March of 1979 I would assume, if that is the year-end of the report that has been tabled.

**MR. CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, with respect to these two loan applications, could the Minister indicate when these applications were brought forward or first received.

**MR. DOWNEY:** Mr. Chairman, I don't have the information of what particular time the applications were made. No, I haven't got that information, but can provide it.

**MR. USKIW:** Mr. Chairman, were the applications in prior to the end of August, 1978?

**MR. DOWNEY:** I will have to check that out, Mr. Chairman, I don't have that information. They could have been.

**MR. USKIW:** Could the Minister indicate what the amount of these loans was, in each case.

**MR. DOWNEY:** The total of the two, I am informed, Mr. Chairman, is 230,000.00.

**MR. USKIW:** That's the combined?

**MR. DOWNEY:** Yes.

**MR. USKIW:** Could the Minister indicate whether these were for new applicants or for existing clients of the Corporation?

**MR. DOWNEY:** I answered that question yesterday, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, the Minister may or may not have answered it, but could the Minister tell us whether this was to new clients or whether this was to existing clients, rather, new applicants or existing clients.

**MR. DOWNEY:** Mr. Chairman, I guess the question yesterday was what was it for and I suggest either debt consolidation or for new applicants. I don't know for sure whether they were existing clients. The question is whether they were existing clients of MAAC that converted, or were they new clients. I would answer, further to correction, I would assume they would be new clients, but I stand to be corrected and I'll check that out, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, would the Minister be prepared to give this committee all of the details with respect to those two transactions sometime during the course of this committee's work?

**MR. DOWNEY:** Mr. Chairman, I don't know the reason for the question or why we would be expected to give all the details. I would check with them but I would think that there are certain reasons why he would want that; but I think it's a matter of conducting business with people and disclosure of information that would not be in the best interest of those clients and I would certainly not be prepared to divulge information that might affect those people. But I have no reason to . . .

**MR. USKIW:** Mr. Chairman, a program that has been in effect for near two years and that has had two loan applications approved leaves many questions to be asked. That result tells us that there is reason to want to find more information about the program. It also leads us to the questions of whether or not there are particular interests involved with respect to that program, given the fact that only two people are involved, secondly, that the program doesn't appear to be terribly well advertised.

In any event, I think that the committee would want to know the nature of the program, the nature of the application, the results of the application, in order that we can determine the program's worth, to say the least, notwithstanding the fact that there could be many other questions emanating of those applications.

I think that it is not unreasonable to ask for that information since, if the Minister doesn't wish to give it, then of course we could file an Order for Return. But being it is only two contracts involved, it seems silly to go through that route when we have a committee before us in any event, and we are not asking for it today, as long as the Minister would agree that in the course of these deliberations that we will have that information, Mr. Chairman.

**MR. DOWNEY:** Mr. Chairman, I don't know that I am particularly reading what the member is trying to get at. If he thinks that there is something happening that isn't normal in those particular applications, then I don't particularly think that I like his line of questioning. On the other hand, I would be quite prepared, if it's not going to in any way cause any problems for those people, to give him what information is required. I do so without even knowing who the people are or on what grounds or anything else, but I'll review it and give consideration to it. I'm not going to give him a statement here tonight saying that I'm going to provide everything because I don't think that it's in the best interests of the program to do so, but I will review it and give consideration.

**MR. USKIW:** Mr. Chairman, there is no doubt in my mind that that is not an acceptable answer to this committee, at least not to our members of the committee. To give consideration, when we are giving consideration to the expenditures of public funds is not a good answer, Mr. Chairman, and never has been in my experience. That information should

be made public if it is asked for, because it is the public's business to know.

Mr. Chairman, the Minister says maybe there could be some injurious effects to his client. I will say to the Minister that without that information, there might be injurious effects to the public of Manitoba and therefore, in the public interest, overall public interest, the Minister is obligated in providing that information to this committee. It is only two applications that have been approved. It is not a difficult task. It is readily available; a phone call would get it to the Minister, Mr. Chairman.

So, if the Minister has nothing to concern himself with, with respect to the operations of the program or with respect to his office and with respect to his department's operations, then there is no logic in him withholding that information, Mr. Chairman, because it can be obtained by an Order for Return. Now, it is whether we debate it in this committee or whether we debate it under an Order for Return. Mr. Chairman, if the committee was not meeting, logically the Minister would stand up in the House, if we pursued the question, and he would say file an Order for Return, and we would do so.

Mr. Chairman, there is no need for that since this Committee has some way to go yet before it completes its work, and there will be ample opportunity for the Minister to furnish that information in its fullest form, Mr. Chairman, to satisfy the needs of this committee.

**MR. CHAIRMAN:** 3. Administration—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, it appears that the Minister, for some unknown reason tonight, he has been quite co-operative so far but tonight it seems that he doesn't want to be that co-operative with respect to the program at hand, Mr. Chairman. He indicates that program has been in effect, two people have only borrowed from the program, and yet he does not wish to provide information to the committee. I wonder why the Minister does not wish to provide information for people who have borrowed moneys from the public purse.

I would say that the information, in general, should be open to everyone, should be open in the case that we are raising, as well with respect to the Orders-in-Council that the Minister passed. Last year the Minister passed Orders-in-Council for lands that were sold through MACC, the names of the purchasers were on those Orders-in-Council. This year all of a sudden we have a number of sales that MACC made by tender and yet we have no details of who the purchasers are, only that there were a number of bids.

Is the Minister now going to tell us that he is not going to furnish any information to this committee with respect to any dealings with the Manitoba Agricultural Credit Corporation or what is his intentions with respect to providing information on the loan program and on the land purchases, Mr. Chairman?

**MR. DOWNEY:** Mr. Chairman, we went through the same form of debate last year on whether or not we would disclose names of those people and the details of people who were borrowing money.

**MR. URUSKI:** They were there. They were there on those OCs last year.

**MR. DOWNEY:** That is on the sales, Mr. Chairman. I am referring to the first question, the first part of his question, about how he feels that I should be disclosing the full details of the different loans. We went through that debate and I took the position that I didn't think it was in the best interests; I still take that same position.

These particular two programs we are talking about, Mr. Chairman, are the Comprehensive Loan Guarantees, which are guarantees of financial institutions. Actual cash that is put out by MACC doesn't flow. There isn't a flow of funds from the government, it is a guarantee.

I have indicated I would consider providing as much information as I could without putting in jeopardy those people who are borrowing or getting the guarantee. I have no reason to withhold information as far as the program is concerned. If it is a matter of making the program work better and understanding it better, I am prepared to provide information that is helpful in that regard.

As far as the second question, about allowing the people who . . . The names, those are the way they were submitted to the government from the Board of Directors of the Manitoba Agricultural Credit Corporation. He knows full well that the names of those people who are buying those parcels of land are displayed in the Land Titles Office, that it is information that is available, and I am not trying to keep anything from the particular individual or the Committee.

**MR. URUSKI:** Mr. Chairman, there appears to be a bit of a double standard in government about the openness of government. It seems that we are getting back to the stage of pre-1969 days when government was very reluctant to provide information. We recall that the government of that day did not want to disclose any of the transactions that were made under the Manitoba Development Corporation. The government of the day said that it would be injurious to the borrowers of money from the public treasury, through the Manitoba Development Fund as it was known at that time, and no information was released.

Yet, Mr. Chairman, when we began publishing quarterly reports on the financial position of the Manitoba Development Corporation, the lending agency continued to loan money, the borrower's names, the amount of money, the interest paid, whether it was a loan guarantee — and there were guarantees put forward by the Manitoba Development Corporation, there were many times that the Corporation put up guarantees. Versatile Corporation was one of those guarantees. There were direct loans made, Mr. Chairman. That information was made public in a quarterly report. — (Interjection)— The Member for Minnedosa says, It was your policy. Now we are getting somewhere, Mr. Chairman. Is a policy of this government to go back to the days of secret Syd and Premier Weir that didn't wish to reveal any information with respect to the loans that were made, or what do we have here now? Do we have here a kind of slipping back to the pre-1969 days or what has the Minister got?

It seems that while one government department is prepared to publish the information, this Minister and his department is not prepared to give the information. Can the Minister tell us . . . Doesn't it seem kind of odd that where two departments of government, one publishes the information, whether it be a loan guarantee or whether it be a loan under MDC, in quarterly reports, and now this Minister refuses to do so, Mr. Chairman? What harm does he feel will occur if that information is made public, Mr. Chairman?

**MR. CHAIRMAN:** 3.(a)—pass — the Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, the Minister's silence, of course, is extremely deafening. —(Interjection)— Mr. Chairman, the Minister feels that he does not want to provide, for the benefit of the public, the names and the transactions of people involved with his loan program. I suppose it is questionable in the sense of public responsibility. The Minister is nodding his head, but I don't think he is agreeing with me. I think an argument can be made that, because it is funded by the public, the public ought to have the information.

I think an argument can also be made that not much will be accomplished and therefore there may be some negative aspects to that, and I suppose either side may win the argument, but I don't think it will achieve anything. I think the distinction that has to be made is that where members of the Assembly are asking for specific and particular information, rather than the whole file, there I think the Minister is obligated to respond, because the members are not asking for specific and particular contracts without reason or without logic, Mr. Chairman, and the Minister's refusal to respond to a specific request indicates that there is something there that he doesn't want the members of the opposition to know and therefore doesn't want the public to know. That is in essence what is the implication, Mr. Chairman. We are not asking for the whole file. We don't want to know the names and the transactions of all of his clients. We want to know the names and the transactions of two contracts, or two people rather, Mr. Chairman. That's all we want. We are not asking for the whole file.

Now if the Minister feels that he cannot do that in the public interest, I will tell him that it is in the public interest to do that. If the opposition feels that there is something there, they have a right to demand for that information. We can do it here in committee; we can do it by Order for Return. The Minister can refuse, but that is his problem when he refuses, Mr. Chairman. The matter can be pursued in a number of ways before this House adjourns, and whether the Minister wants to debate in his committee, or whether he wants to debate it in the House in Orders for Return, or whether he wants to debate it in question period every day, that perhaps is his choice; and whether he wants to debate it on motions into supply each time where a Grievance Procedure can be applied, that is his choice, Mr. Chairman. But it seems only common sense and logical that the Minister would respond to a very sincere request for information with respect to two transactions. There has to be something wrong with

this program, since there are only two transactions, Mr. Chairman. Mr. Chairman, if there isn't anything wrong with this program, then maybe it was designed for only two transactions. I think that's a legitimate question, Mr. Chairman, if it was designed for two transactions, we would like to know who they were designed for.

Oh, yes, these are the implications that the lack of answers bring to the public's attention, Mr. Chairman. These are the implications that arise from the Minister's refusal to — we have no choice, Mr. Chairman. We now are in a position where if the Minister says he refuses that information, then we have to say that he must be hiding something from the people of Manitoba that would embarrass the government. That's really what he is telling us, Mr. Chairman. —(Interjection)— Well, we are saying it, and we will not get going. —(Interjection)— No, it's not that simple. We are demanding that information, Mr. Chairman. We will demand it in many forms if we don't get it, Mr. Chairman. If the member wants to sit here half the summer using up the time of the Assembly and —(Interjection)— yes, yes, yes, I would invite a closure motion because the Minister refuses to answer information, Mr. Chairman. —(Interjection)— Yes, I would be prepared to debate that.

**MR. DOWNEY:** Mr. Chairman, I have stated before, I think that we've had two applicants that were accepted under a program, and I said that it was a program that was introduced for all the farmers in Manitoba; that there are two approved; there are eight to nine that are being processed at this particular time; that in other jurisdictions, Alberta and Quebec, with the same kind of program, it took two or three years to get the program off and running, and that's the process that we're seeing taking place right here. We are dealing with a third party who I don't feel — I would check with those individuals, and if they have no problems, Mr. Chairman, then fine. But I do not feel it's in the best interests of any financial institution, government included, when we are using — it's a Crown corporation; there's a third party involved; that if that information can be made public without putting anybody in jeopardy, then I would give consideration to it. But I am not going to sit here tonight and accept accusations from the members opposite that it's been put in place for two specific people, or that something is wrong with it, that it's —(Interjection)— Well now, you know, we're sitting here tonight going through a debate that is taking up the time of this committee . . .

**MR. USKIW:** Legitimate time.

**MR. DOWNEY:** . . . for reviewing the expenditures of the Manitoba Agricultural Credit Corporation. It is a loan guarantee, accepted by that corporation, approved by the board of directors; there are other people involved; if at all possible, without in any way affecting people; I say affecting — if breaching any rights that those people have or stepping out of line on a legality of what the capacity of the corporation has to do, then I have no problem in providing information to do with these two particular contracts. But, Mr. Chairman, he's not trying to sit here and say



to me, in fact threaten me, that he's prepared to do X, Y, or Z. Mr. Chairman, he should know better than that.

**MR. USKIW:** I do know best.

**MR. DOWNEY:** He knows better because I will do everything I can to provide him with the information that he is requesting.

**MR. USKIW:** Okay, all right.

**MR. DOWNEY:** I don't want to sit here until the wee hours of the morning to debate that issue, because I have indicated to him, if at all possible, without putting anybody in the third party in a position of legality, where it has legal implications to the province or the corporation or that individual, then we have to review that, but I don't think it is in the best interests of the — and let's remember, for those dogmatic minds across the way that cannot accept the fact that we are in the business of providing funds to help the farmers in Manitoba under a blanket policy that's there and available if they want to use it, fine, if they don't, fine, then you know there's something wrong. But as I said, if I'm able to provide the information without breaching any contracts, without disclosing information that may be harmful to a third party, then I'm quite prepared to give it consideration.

**MR. USKIW:** Mr. Chairman, can the Minister assure this committee that no member of his family is involved in these two applications?

**MR. DOWNEY:** Yes, Mr. Chairman, I can assure him that no member of my family, that in no way, shape or form do I have anyone that is any connection to me, unless it's so far back — but to the best of my knowledge, Mr. Chairman, I have no connection whatsoever, no conflict, family or otherwise.

**MR. USKIW:** Can the Minister assure us that no member of the Assembly is one of those two applications or contracts?

**MR. DOWNEY:** Mr. Chairman, to the best of my knowledge at this point, I can assure him of that, but I would be quite prepared to check that out and give him that assurance.

**MR. USKIW:** Can the Minister assure us that one of those contracts does not involve the chairman of the board of MACC? Can he give us that assurance?

**MR. DOWNEY:** Mr. Chairman, as I indicated earlier in the committee, I don't know, but I would pretty sure that there is no member of the MACC board involved in any of those guarantees. But I will find out and provide that information to the committee.

**MR. USKIW:** Is the Minister agreeing to provide the information to this committee of all transactions of existing board members with MACC; all credit transactions for themselves personally as individuals.

**A MEMBER:** Including the bank.

**MR. USKIW:** Anywhere where we are involved. I would like to know whether the Minister is advising this committee that any board member who has a loan, guaranteed or otherwise with MACC, that he is going to give us the information and the complete documentation on those transactions.

**MR. DOWNEY:** Mr. Chairman, I would hope that there was no participation of a board of directors involved in any transaction that would in any way put that board of directors in conflict of interest, I trust, Mr. Chairman.

**MR. USKIW:** That's not what I'm asking.

**MR. DOWNEY:** Well, he's suggesting any dealings. I would have to review that, Mr. Chairman. I don't know the answer, sitting here tonight. I don't know specifically if there was a board of directors . . .

**MR. USKIW:** I'm not asking the Minister if he knows. Mr. Chairman, my question is . . .

**MR. CHAIRMAN:** One member at a time. I'll recognize the Member for Lac du Bonnet when he signals so.

**MR. USKIW:** Mr. Chairman, I asked the Minister whether he is willing to give that information to this committee, that after he does his search of his own department and if he finds that there are board members who do have loans with the Manitoba Agricultural Credit Corporation, or guarantees, or whatever, that that file will be brought forward and given and the members of the committee will have a copy, to peruse the same.

**MR. DOWNEY:** Mr. Chairman, I will check that out and provide the information if it's available.

**MR. USKIW:** Mr. Chairman, I hope the Minister now realizes the series of questions that arise when he refuses to give us information about two transactions, because once you have that refusal, you then trigger 100 new questions. I have only given two or three illustrations of the kinds of questions that are in our minds because of that refusal, so therefore it is not in the public interest for the Minister to keep that information away from this committee. I accept his commitment that should he find that there is a board member that has a loan with MACC, that that file will be tabled before this committee, or a guarantee, it doesn't matter, that is still a contract with MACC.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Mr. Chairman, I hope the Minister . . . He didn't answer the last point. I am assuming that that undertaking is there. Am I correct, Mr. Chairman? Has the Minister given us that undertaking, just to be sure? Because, Mr. Chairman, we have had arguments and we have had comments from members of the Conservative Party saying that it may be injurious to clients. Mr. Chairman, what I fail to understand is that the Minister of Fitness and Amateur Sport, who is in charge of the Manitoba Development Corporation, publishes information quarterly of all the business

dealings. And these are businessmen, these are small businessmen, no different from any farmer in Manitoba in terms of their loans, in terms of the guarantees that they receive from the Manitoba Development Corporation or the Community Economic Development Fund, yet somehow we are in a position to say, well, it's okay for those guys, but for these guys we're going to treat it differently.

Both groups of people are entrepreneurs in the province of Manitoba. Both groups have come to the public for either loan guarantees or loans, and on one hand the information is published and given out readily, even insofar as quarterly reports, and on this hand, in this area, we have, it appears, a bit of reluctance.

As the Member for Lac du Bonnet has said, you know, when there is that reluctance, all kinds of questions can be conjured up and raised because of the inability of the Minister or unwillingness to provide that information. That's why I asked the Minister. I mean, if the government felt that they were going to go into estimates tonight, the staff could have been here or brought in. There should have been no problem to bring the staff in from the Manitoba Agricultural Credit Corporation. — (Interjection)— Mr. Chairman, the historical precedence of budget debates, when the Leader of the Opposition makes his speech, usually no members — usually, traditionally and usually . . . And I think the Member for Rock Lake should recall how it was on his side when they were in opposition. I think they are liable to be and likely to be back there sooner than he thinks, and then he will see for himself that when his leader will be making the reply to the Budget Speech, whether any of his members will be following right on the heels of the leader, Mr. Chairman.

**MR. CHAIRMAN:** I wonder if we could get back on Resolution 3, Administration.

The Member for St. George.

**MR. URUSKI:** I just want to make sure — the Minister didn't comment on the Member for Lac du Bonnet's question — is that undertaking there, Mr. Chairman, to provide that information to this committee if loans or guarantees were made by any of the people in the questions that were raised, in the three or four questions that were raised by the member. Is that an undertaking?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. CHAIRMAN:** 3.—pass — the Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I would like to pursue with the Minister the logic of not showing the names of the people who have purchased properties with respect to some twenty Orders-in-Council confirming the sale of certain properties held by the Manitoba Agricultural Credit Corporation. These are all approved sales, but we in the opposition have no way of knowing just who purchased these properties.

**MR. DOWNEY:** In answer to the member, Mr. Chairman, it is approval to sell. Those particular pieces of property are still in the process of being

finalized. The top tender has been accepted; the agreement to sell is there and we would expect that everything is in normal transfer. However, I think the difference is they are approved sales, or approval to sell, and that's basically the difference, that they are approval to sell and they are in the process of being sold.

**MR. USKIW:** Mr. Chairman, the instruction here is that the Manitoba Agricultural Credit Corporation accept this tender and said property sold for 80,000, subject to approval of Lieutenant-Governor-in-Council. Last year, these OCs carried the name of the individual. What is the logic or the reason for not doing that this year? That's a change of procedure but what is the reason for that?

**MR. DOWNEY:** Mr. Chairman, the process is to make sure that the individuals, before transfer of the land, that the individual's financing is in place to purchase those properties.

**MR. USKIW:** Mr. Chairman, could the Minister indicate to this committee whether or not MACC is financing these purchases?

**MR. DOWNEY:** Mr. Chairman, they could be in the process of financing some of them.

**MR. USKIW:** Could the Minister explain just what kinds of properties these were or why they became surplus to the needs of the Corporation? — (Interjection)— Mr. Chairman, the Member for Emerson says this was stupid land and I don't know, my knowledge of definitions is that I have never heard of land being stupid, Mr. Chairman. I've heard of land not being productive or terribly valuable, but I've never heard of land being stupid. I've heard of Members of the Assembly being stupid from time to time, and non-productive, yes, Mr. Chairman. The Member for Minnedosa is quite right, and at the moment, the contributions of the Member for Emerson are just that, non-productive and stupid, Mr. Chairman. —(Interjections)— Mr. Chairman, I would like to tell the Member for Emerson . . .

**MR. CHAIRMAN:** Order. Please address the remarks to the Chair.

**MR. USKIW:** Mr. Chairman, I did address you. I said, through you, that I would like to tell the Member for Emerson that these stupid lands that were bought yielded the province a capital gain of 109 percent. Mr. Chairman, I don't know who is stupid here. I think it is the Member for Emerson, Mr. Chairman. I think so, Mr. Chairman. As a matter of fact, if the Member for Emerson would like to peruse these documents, you know, it is rather amusing. We have here a document dated in April, Mr. Chairman, just last month, where we have a purchase price of 59,000 and a sale price of 80,000, Mr. Chairman, some 37 percent of capital gain accruing to the people of Manitoba, Mr. Chairman.

Mr. Chairman, if you look at the next document — (Interjection)— Well, some people do better than others, Mr. Chairman.

We have another document here, Mr. Chairman, which shows a purchase price of 45,000 and a sale

price of 65,000, a 45 percent capital gain. We have another document here that shows a purchase price of 22,200 and sold for 38,000, some 70 percent in capital gain, Mr. Chairman. We have another one here that has a purchase price of 12,000 that was sold for 17,700; that's roughly a 50 percent capital gain, Mr. Chairman. —(Interjection)— Notwithstanding what it is, it's a good capital gain, Mr. Chairman.

Then we have another one here. The purchase price on this one was 11,000 and the selling price is 19,095, Mr. Chairman, with some 80 percent capital gain on that one.

Mr. Chairman, we have another one; they didn't do so well on this one. The purchase price was 25,000 and they sold it for 33,500; that's about a 33 percent in capital gain, Mr. Chairman. That's a low one.

Then we have one here, Mr. Chairman, where the purchase price was 17,500 and the sale price was 46,810; that's about 160 percent capital gain, Mr. Chairman. Now we have one more, Mr. Chairman; they're very interesting ones, Mr. Chairman. The purchase price on this one was 25,000 and the selling price is 53,200.00. That's some 113 percent capital gain.

We have another one, Mr. Chairman, where the purchase price was 22,000 and the selling price is 72,160, for a 280 percent capital gain, Mr. Chairman. Then we have another one here, Mr. Chairman, where the purchase price was 36,000 and the selling price was 85,000, some 235 percent capital gain.

Mr. Chairman, we have another one here that was purchased for 16,000 and sold for 30,255, some 80 percent-odd in capital gain. Mr. Chairman, we have another interesting one here. The purchase price was 52,000; the selling price was 129,000, some 250 percent in capital gain on that one, Mr. Chairman.

We have another one here, Mr. Chairman. The purchase price was 18,800 and the selling price was 27,700, roughly a 50 percent capital gain. We have another one, Mr. Chairman. The purchase price was 18,000 on this one and the selling price was 23,500, some 30 percent in capital gain. That's the lowest capital gain of the lot, the only one at 30 percent.

We have another one here, Mr. Chairman, at a purchase price of 23,500 and a selling price of 55,000, some 240 percent in capital gain there. This one here, Mr. Chairman, was bought for 81,000 and sold for 161,000; that's about a 99 percent capital gain.

This one is most interesting here, Mr. Chairman. This one was purchased for 37,500 and sold for 130,170; that's a 350 percent capital gain. 350 percent, Mr. Chairman. Oh, that's a beauty, that one.

Now we have one here, Mr. Chairman, with a purchase price of 47,100 and a selling price of 111,200; that's 135 percent.

We have another one here, Mr. Chairman, which has a purchase price of 13,500 and was sold for 36,565; that's a 270 percent capital gain.

The last one, Mr. Chairman, was bought for 26,000 and sold at 55,500, and that's 115 percent in capital gain.

All this stupid land, Mr. Chairman, that the Member for Emerson refers to as being stupid land, yielded the province a substantial amount of money, some 662,155 of profit. —(Interjection)— Well, the Member for Emerson, Mr. Chairman, would like to

know if that's why it was bought. Quite frankly, no, that is not why it was bought, Mr. Chairman. For the benefit of members opposite, and indeed for the benefit of the Member for Emerson, it was hoped that in these kinds of opportunities benefits would have accrued to lessees, should they have exercised their option to purchase, in which case, you can readily see, Mr. Chairman, how much assistance that would have been, or could be yet, for lessees, who would be opting to purchase, Mr. Chairman, at the old price and the amount of equity — well, it's unbelievable the amount of capital gain, never mind equity — that they would have realized on these purchases.

Mr. Chairman, that's why I asked the Minister to give us some detail on what happened with these transactions. I mean, why were they not purchased by the original lessees; why did they become surplus to the Crown? There must be some reasoning and logic behind why the Minister had to find himself in a position to re-sell them. It seems to me if the Minister was very interested in introducing new young blood into the industry, Mr. Chairman, he could have foregone all of these capital gains and placed new lessees on these assets. Yes, he could have done that without any cost to the province, without any cost to the province, Mr. Chairman. That's right. But this Minister chooses not to do that, he chooses not to do that, Mr. Chairman. —(Interjection)— And yes, that is true, the Member for Emerson says, That is not our policy.

Therefore, the members opposite, the government has maintained a consistent philosophy, there is no question about that, and that is that they will do nothing in the marketplace to assist people into this industry even if it costs them no money, even if it can be self-sustained, because it is against their grain to tinker with the market economy in some form. That is really what it is all about, Mr. Chairman.

I think what we have witnessed here is the missed opportunities for a good number of people, and demonstrates full well, Mr. Chairman, the advantages of those original lessees of this program, should they have exercised an option to purchase, and the ones that did exercise the option to purchase have realized these gains. There is no question about that.

I think it is worthwhile recalling that essentially the purpose of the program was to provide people with an opportunity to enter the industry, but who were financially strapped at the time and were not able to finance themselves into it. This was a means of doing it, Mr. Chairman. —(Interjection)— You know, Mr. Chairman, the Member for Emerson keeps shouting from his seat, and I mean his seat because it is obviously not with too much brain power, that we could have financed these people into the business of agriculture.

Mr. Chairman, the member knows that this element that we are dealing with is always in the position of not being able to achieve a financing capability, because of the fact that they have nothing to begin with. If we are going to rely on the economics of the market to decide who is in and who is out, then ultimately only the person that has — I always use the expression — the fattest wallet ends up owning it all, and therefore there are no opportunities for others. You keep shrinking the opportunities for new entries into this industry, this is

what you do in the long term, and that has been demonstrated over and over again throughout the world, Mr. Chairman. This is not a new phenomenon. This is as old as the world is, Mr. Chairman. The people who have the wherewithal always have the ability to get more of it. That is right. That is the nature of the beast in terms of market economy, oh yes. The people that are already up there have the leverage to suppress those below from not getting up there. —(Interjection)— There is a good example, Mr. Chairman, the Member for Minnedosa introduces an interesting name of a person who I gather has gone into receivership because of the weight of his operation, the size of his operation, Mr. Chairman.

I want to remind the Member for Minnedosa that yes, he uses an example and it's a person who is, or was at least, if he isn't today, teaching our young aspiring farmers on how to get into the farming business. I don't know what that says for the facility that we have over at the Fort Garry Complex, Mr. Chairman, but whatever it says, it demonstrates part of the weakness of the system.

I would like to ask the Minister, Mr. Chairman, what he intends to do with all this new found wealth? What is the intent of this Minister with respect to his realized capital gain? Would he not at least plough this bank into new opportunities for young and up-and-coming farmers who want to get into the industry, or some of them who are having problems staying in, who have just gotten into the industry and are having some difficulty because of the atrocious money market today, whether or not he would be prepared to use the profits out of this program to assist at least that group of people, Mr. Chairman, that, by the way, need some attention at the moment?

**MR. DOWNEY:** Mr. Chairman, the Member for Lac du Bonnet has taken on quite an approach to capital gains that he feels so pleased with himself that he was probably the only one Minister of the Crown that is able to read into the record that any business they were in made some money, but let me say, Mr. Chairman, he is so proud of it, because really it was at the expense of the young farmers. Really that is who he made the profit on, were the young farmers. —(Interjection)— He admits that, that it was at the expense of the young farmers, who he initially intended to help. Mr. Chairman, he asked me the question —(Interjection)— Mr. Chairman, those properties became surplus to the corporation because of people letting their leases lapse or they weren't desirous of carrying on, and what happened? What he has failed to do, he read in the cost to the corporation, but he didn't read in the carrying charges to the corporation. He read in the cost, but it does cost money to carry these lands, so he has somewhat not totally told the full story. That is No. 1.

I think the point he makes, what are we doing with those funds? Yes, Mr. Chairman, we are reinvesting them in land which farm people own. People will own those properties; they will take advantage of the increased value of land, or the decreased value of land and whatever. The way the industry goes, I think it is a matter of seeing that happen.

Mr. Chairman, I won't read through a lot, but I would just like to say that we do have one or two

properties left for the farmers who feel that they may not be able to get into business.

The Member for Emerson, I don't believe, meant what he said when he called stupid, maybe he would want to correct that himself. —(Interjection)— Maybe he should have aimed that in another direction or at an individual, because when we . . . Just one particular piece of property that wasn't sold, the carrying costs of that to date, of the corporation, are 83,000-and-some, in excess of 83,000, but the highest bid on that particular land was 42,000, which in fact was a great reversal of the argument that the Member for Lac du Bonnet is making. He sits here and says it is all one way. It really isn't; there are certain other situations.

Really, Mr. Chairman, the point that I want to make is, is that the money will be made available for the farmers to own their land through mortgage financing, which has been very well received through the corporation.

**MR. USKIW:** Mr. Chairman, just to satisfy the Minister, I would like to tell him that I did do a calculation of the purchase price and the cost as he has illustrated in the Order-in-Council, and he still ends up, after all of that is taken into account, with a net capital gain of 447,159.34, Mr. Chairman. After all things considered, he still has half a million dollars in his pocket, that is not a bad scene, Mr. Chairman. He has done very well on that one. That represents about 55 percent in capital gain.

**MR. DEPUTY CHAIRMAN, Jim Galbraith:** The Honourable Minister.

**MR. DOWNEY:** On a point of order, Mr. Chairman, I don't think the member would want it left on the record that that was put in the hip pocket of the Minister but in fact is in the Manitoba Agricultural Credit Corporation to lend back to the farming community, and I hope he would want to correct that.

**MR. DEPUTY CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I think that kind of language is probably quite reasonable in light of the fact that the Minister just attempted to refuse to give us information. I have to admit that I wouldn't want to accuse him of putting a half a million dollars in his hip pocket, not of public funds. He may do it of other funds; the market system provides him that opportunity, and he might do that. I think anyone of us would do that, Mr. Chairman. Some of us have. That is nothing new, that is the nature of the beast, Mr. Chairman, but in any event he can't dispute the fact that there has been a fairly substantial capital gain out of the sales of those properties.

**MR. DEPUTY CHAIRMAN:** 3 — the Member for St. George.

**MR. URUSKI:** Thank you, Mr. Chairman, it is interesting the philosophy that the Conservatives and this Minister is following in terms of what is now happening in rural Manitoba with farmers being squeezed the way they are in terms of the credit

crunch and the high interest rates and the inability of farmers to be able to operate. Yet there is no program that the government has to allow farmers to receive assistance in terms of operating capital, but there is all kinds of funds available through the MACC to purchase land, Mr. Chairman.

The Member for Minnedosa in his short comments mentioned that we may be just getting all of that back, Mr. Chairman, in time, and that may very well happen, Mr. Chairman. The loans that the province is making when land of this nature is being purchased — not only this land, but other loans that they are making — there is always a possibility, especially at this time in our history in rural Manitoba, and the problems that farmers are faced with. We hope that times will be better, but it certainly doesn't auger well, unless as we have said before that there will be a good rain to set things off in motion. But yet there is no program for farmers to take advantage of in terms of operating capital. That whole area has been cut back. There are loans for . . . If I recall the Minister's statistics that he presented to us the other day, all the funds —(Interjection)— Mr. Chairman, the Member for Portage, if he wishes to get into the debate, he can. I mean he took part in the Budget Debate this evening and one could also accuse all the speeches of being repetition, but we did not do so, Mr. Chairman, we did not do so.

Mr. Chairman, there is only less than 1 percent of moneys that are available for livestock and equipment, but nothing in terms, that I can see, of the loan capital for operating expenses. 16 percent of the moneys that have been used were for debt consolidation. I presume that some of that money possibly could have been for operating expenses, but any new money to be injected into the rural economy certainly is not coming from this corporation, the majority of which, other than for the purchase of land, so it is likely that should the trend continue as it is being continued in the this last year, year-and-a-half, with the squeeze on the farmers, that the government will be faced with, unless things change, repossessions, with closures.

All we have to do now is look at the pages and pages in the farm papers of auction sales, where farmers are pulling up their stakes, and there will be more, Mr. Chairman, as the crunch comes in. I have had calls today from a farmer who indicates that the fuel companies are now starting to put the squeeze on. Where the farmer is extended likely close to what is considered his limit, the pressure now is coming from even the fuel dealers on some farmers, because they have gotten extended and they are having a very difficult time.

So the impact is there, not only on the farming community, but really on rural Manitoba as a whole, because once the farmer is — and the Minister well knows — once the farmer is short of cash, everybody is short of cash, and then some. There is an escalator effect. —(Interjection)— Mr. Chairman, there are some options open to the government. There are some options that were carried out on the prairies a number of years ago. The Minister has options, and as the Member for Minnedosa says, the money market looks better.

The Minister may want to consider a moratorium on loans for a period of, say, six months, until the interest rates become better, if the prognosis of the

Member for Minnedosa is accurate. That is something that the government can certainly consider for the farmers. There is ample precedence of this in western Canada. Saskatchewan did it, not only during the depression but, I believe, in the Sixties they brought in a farm debt loan — I forget the exact words of the legislation, but that was done in Saskatchewan, Mr. Chairman. So there is ample precedence, and it's something that I believe the Minister should consider in light of, or in the absence of any program through MACC.

**MR. DEPUTY CHAIRMAN:** The Honourable Member for Minnedosa.

**MR. DAVID BLAKE:** Mr. Chairman, just on a point of order, for clarification, would the Member for St. George, when he is indicating, would he indicate that that should be legislated, or would he indicate voluntary moratorium on debt by the financial institutions that are presently carrying the debt load?

**MR. URUSKI:** Mr. Chairman, seeing as the Minister does not wish to interfere at all by at least calling in the corporate sector in this province; he does not want to interfere in the hog industry by calling in Cargill; he says that the banks should tow the line, Mr. Chairman. The Minister can choose as he wishes. I mean, that is really up to himself as to which direction he wishes to take, but that is an option that is open to him, Mr. Chairman. I will not stand here and say that I will present the legislation to him. —(Interjections)— Of course not, Mr. Chairman. Absolutely —(Interjections)— I have offered suggestions, Mr. Chairman. The Minister of Highways can blow his stack wherever he wishes, but if he is prepared to act on it, like he has on seat belts, he may as well go home and go back to his farm, Mr. Chairman.

Mr. Chairman, I hope that the Minister considers well —(Interjection)—

**MR. DEPUTY CHAIRMAN:** Order please.

**MR. USKIW:** The Members can put whatever they like around their necks, Mr. Chairman. They have done quite well in the last three years of being in office. Not only have they done it around their necks, they certainly are doing it to the farmers in this province, Mr. Chairman. There is no doubt about it.

Mr. Chairman, I want to bring to the attention of the Minister of Agriculture, while he is going out and selling land and making a good capital gain from it in terms of the MACC land, his colleague, the Minister of Mines and the Finance Minister, are giving away land at no cost. While on one hand the Department of Agriculture is tendering land and making a good return, the Department of Mines and Resources is prepared to allow land to be conveyed to whom? None other than the Canadian Pacific Railway, Mr. Chairman, at exactly what the poor souls, the Department of Mines and the Canadian Pacific Railway, who is supposed to be providing service to farmers, has not and is on strike, and yet this government is prepared to say, Well, look, we will give you the land at no cost. If ever there was a way, Mr. Chairman, of the government putting some pressure on the railways, this would be one way, Mr.

Chairman. They should have said, Look, you want this land, you provide the service to the farmers that you have not been providing for 15 years, Mr. Chairman. There is another avenue that the government could have used to attempt to get better service out of the railway.

But leave that for now, Mr. Chairman. Leave that be as it may, Mr. Chairman. I am assuming that the Minister will provide us the information on these lands that have been sold by tender, Mr. Chairman. I would like to ask the Minister specifically on the sales that have been made, are these sales in addition to the 293 parcels that the Minister gave us details of that were conversions and sold and financed through other institutions that he gave us the other day? Are these in addition to those 293 sales?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. URUSKI:** Are there other sales in the process of being completed at this time, Mr. Chairman?

**MR. DOWNEY:** Mr. Chairman, I believe there is just one at this particular time.

**MR. URUSKI:** Has the O.C. been passed, Mr. Chairman?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, how many properties are still being leased?

**MR. DOWNEY:** Leased — tendered for lease, Mr. Chairman, not under the Land Lease Program, but surplus lands are being leased.

**MR. URUSKI:** Well, maybe, then there's two, okay, but tendered for lease, the two tendered for lease? How many parcels?

**MR. DOWNEY:** Eight, Mr. Chairman.

**MR. URUSKI:** Eight parcels, of which farmers have not kept on the leases and now they are tendered for lease. How many parcels are still under the Land Lease Program and are being leased? How many parcels are still currently being leased to farmers?

**MR. DOWNEY:** Mr. Chairman, the question was, how many are under land lease? The information I have here is 309, Mr. Chairman.

**MR. URUSKI:** Would the Minister have the total acreage involved, of those 309?

**MR. DOWNEY:** 124,649 acres, Mr. Chairman.

**MR. URUSKI:** I didn't ask — could the Minister provide the acreage of the tendered for lease properties. For eight, I'm sorry, eight.

**MR. DOWNEY:** Mr. Chairman, it will take a minute to total them up.

**MR. URUSKI:** As they are being totalled, could the Minister also provide — I know we have given these O.C.s that are here, and I think there are 20 of them,

I believe — in addition, could the Minister give us the total numbers of sales by tender to date? He has given us one, and there were what last year, five or six? Is that the total number? Could he give us the total?

**MR. DOWNEY:** Mr. Chairman, while getting the acreage on . . . I believe the figures were 12 sold last year, 20 in the Orders-in-Council, which he has there, and another one that has just been passed recently, Mr. Chairman.

**MR. URUSKI:** Thirty-three parcels. We have some of the amounts. Does the Minister have the amounts — will he be able to provide us with the amounts and the acreages on the ones that were sold by tender as well? —(Interjection)— The acreage of the sales by tender . . .

**MR. DOWNEY:** Mr. Chairman, that will be on the Orders-in-Council.

**MR. URUSKI:** Mr. Chairman, the description of the land is there, but the acreage — let me look at one of the O.C.s here — it says legally described as southeast, southwest, but it doesn't give the actual acreage. As we know, some quarter sections can be less than 160; they can be as high as 180 acres; they can be fractions; so there should be a tabulation. I am looking at another one just to check that maybe on this one the acreage wasn't on there.

**MR. DOWNEY:** Mr. Chairman, the approximate figure on the eight parcels of land that the member was asking about that are leased, there are approximately 4,000 acres involved.

**MR. URUSKI:** Okay.

**MR. DOWNEY:** But the O.C. should indicate what the parcels are.

**MR. URUSKI:** Yes, the description of the land is there, but not the acreages.

**MR. DEPUTY CHAIRMAN:** 3. Administration—pass — the Member for Ste. Rose.

**MR. A.R. (Pete) ADAM:** Just a few questions, Mr. Chairman. How much money is involved for the comprehensive component of the MACC package; how much is available under that particular program?

**MR. DOWNEY:** Mr. Chairman, it would be included, I believe, in the authority under the capital of MACC, on the capital drawn on, which we discussed yesterday. It would be part of that authority.

**MR. ADAM:** There is no separation of how much goes into which program? It's just all in the one capital authority? Is that the one that I noticed today somewhere, a copy, 24 million total, 19 million-some for loans and there were other components, co-operatives 1 million . . .

**MR. DOWNEY:** That's correct.

**MR. ADAM:** . . . and I forget what the other one was.

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. ADAM:** So that is the total amount, yes?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. ADAM:** The Minister has indicated yesterday that the reason why this particular program came in, the comprehensive program, was because there wasn't sufficient funding coming federally. There wasn't sufficient funds coming from the federal government for farm programs and that is why we went into these extra programs here, to help the farmers, and that's what the Minister said yesterday. But we find that under this particular program, there are only two applicants to date, and there is obviously some money going begging here, that's looking for people to come and take access to or have access to. Again, I would like to suggest that we maybe try and come up with an emergency program for this summer to alleviate some of the problems that we've discussed yesterday and today, this evening.

Also I wanted to clarify that the interest rate fluctuates. It's not a fixed rate. It's 1 percent above the prime and 1.5 percent of prime and it goes up and down with the floating rate of today's prime rate; is that the way it is? So you could have different rates during the year. Am I correct on that?

**MR. DOWNEY:** The guarantee is in effect that the money is to cost the farmer no more than 1 percent for the period of up to ten years and anything over ten years it would be 1.5 percent over prime.

**MR. ADAM:** I understand that, what I'm getting at is —(Interjection)— yes, I understand that part. What I'm trying to find out is whether the person is locked in at 14-1/2 or whatever the rate is, one and a half above prime, which would be what? I think he said it's 14-1/2.

**MR. DOWNEY:** Mr. Chairman, it would be reviewed at a certain period of time and as the interest rate dropped it would come down with that, because the commitment is in fact to be 1 percent or 1.5 over prime, so it would move with the prime.

**MR. ADAM:** It would move up and down with the market?

**MR. DOWNEY:** That's right, yes, that's correct.

**MR. ADAM:** That's fine, that's what I wanted to know because I wanted to be sure that there was nobody that was locked in above the — into a long term with a heavy rate of interest. I don't have any more questions on this . . .

**MR. CHAIRMAN:** 3. Administration—pass; 3. Net Interest Cost. The Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I'm wondering whether we shouldn't set this item aside, if the Minister wishes to proceed further and come back to it after

he's brought forward some information for this committee.

**MR. DOWNEY:** Mr. Chairman, the information that has been requested, I'm prepared to bring back during Minister's Salary.

**MR. USKIW:** No, we want to debate it. No, no, no.

**MR. DOWNEY:** I don't know what information that he's concerned about. I've responded to everything that he requested and information that I have said I would provide, I would do what I said I would do and proceed. I can't see why we would delay this particular item at this time. We've debated it all the way around several times, for several hours.

**MR. USKIW:** Mr. Chairman, whether or not there is further debate on this time would depend logically on what kind of information is brought back. If the information is such that there might be a desire to debate it, then we would not have an opportunity to do so until we get to the Minister's Salary, in which case his staff is not even around when we're debating the salary. I would suggest, Mr. Chairman, that we set aside Resolution 8, and if the Minister wishes to proceed further we can just skip over and go into 9 and down the estimates and then come back to 8 whenever he has the information. Otherwise he is pre-empting the role of the opposition, Mr. Chairman, if there is reason for debate, based on the information that he tables to this committee.

Mr. Chairman, the Minister is silent on that point. I would hope that reason and logic would be the mood. There is no reason for getting into a loggerhead situation on a very small request. I don't think it's anything unusual. I think we've done that before, where we have simply skipped over an item until we could back to it later on.

I have no problem with proceeding further with the estimates but I sure don't want to foreclose further debate on this item, only on the basis that there might be something that we might want to debate on. There may not be. If the Minister's information is such that we have no further points to raise, we will let it go, but I would want to reserve the opportunity at least.

**MR. DOWNEY:** Mr. Chairman, I think what I have responded to has been that I would give him the assurance that if when provided that information he wanted to have some debate on it, I have indicated that I would give him the opportunity to do that, whether it be under the Minister's Salary or wherever, but if he feels it's imperative before we can proceed to pass this particular item and wants to proceed on with others tonight then if there is some particular thing that he could highlight that he wants at this particular time, then I would respond to it and satisfy him, or if I'm not able to satisfy him, I want to know the reason why.

**MR. USKIW:** Mr. Chairman, the point I'm making is that the staff of MACC will be back here when we get back to this item and therefore if there is need for debate we will have, hopefully, ready information available to the Minister. If we pass this item, the

staff will not be back here. If we engage in debate, the Minister is going to say, well, I'll have to take it as notice; I'll have to check with my staff and so on. It will not be a very productive exercise, Mr. Chairman. I think the best way to handle it is to set aside Resolution 8, and bring the staff back the next time the committee meets and go back to that section and get through with it with the staff here. That's the whole purpose of having staff, Mr. Chairman, to assist in the committee's deliberations.

**MR. DOWNEY:** Mr. Chairman, the numbers of approximate number of acres that the Member for St. George had asked on the sale of land, the numbers of acres, is approximately 7,826 acres. — (Interjection)— Yes, that's right it would be in those OCs. I think that's pretty close.

Back to the Member for Lac du Bonnet, Mr. Chairman, I can't sit here tonight and suggest that there is anything that I haven't provided for this committee in any way, shape or form that has to do with the passing of the estimates that we are requesting for the operation of the Manitoba Agricultural Credit Corporation. If there is, I have asked him to repeat it. I have indicated on every item that I am prepared to give it and speak to it when I provide it. The Minister's Salary again is another opportunity for him to but I don't know of any other committee where we would have moved to set aside an item . . .

**MR. USKIW:** Oh, sure.

**MR. DOWNEY:** No, I've never seen that, and . . .

**MR. USKIW:** Oh, yes, we've done that; we skipped items, in fact and come back.

**MR. CHAIRMAN:** I wonder now, maybe I was wrong, the other night at another estimates, when the Member for Fort Rouge came in and was attempting to open up the whole department, and I rightly or wrongly ruled she could make a comment on the entire department but I wouldn't be giving the Minister the right to answer each department. So maybe the Member for Lac du Bonnet, if I rule the same in this department, he indeed maybe wouldn't have that right if the Chair was correct the other night, to open up the whole thing.

So, I'm in a bit of a dilemma if we don't — or leave it aside to come back under it at another time, or else it will be closed, in my ruling of the other night, closed on really opening the entire debate on it.

**MR. DOWNEY:** Mr. Chairman, I understand the members want to proceed on to debate some of the other items that we have in our estimates and I would show my full co-operation in setting aside to answer the . . . to refer back to it on a couple of the items that they asked prior to.

**MR. USKIW:** Mr. Chairman, would that then logically assume that MACC staff will be present for that discussion.

**MR. DOWNEY:** Mr. Chairman, I will see. I'm sure that they are going to be busy and I can see that there is appropriate staff available to deal with it.

**MR. USKIW:** To deal with the question? Okay.

**MR. CHAIRMAN:** Resolution 9, 4.(a)(1)—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, could the Minister indicate to us what is involved in this area, in terms of program activity and the like?

**MR. DOWNEY:** Mr. Chairman, the Agricultural Production Division, as is in the estimates, we have the Administration which is made up of one ADM and the secretary, that's the salaries for 4.(a)(1) Salaries. The person is Tom Pringle who is the ADM, and his secretary.

**MR. URUSKI:** Mr. Chairman, the overall program of the department, the thrust of that section deals with, I presume, support services to the farm community and the various components of it. Could the Minister indicate what the thrust of the department is in the area of that division for this coming year?

**MR. DOWNEY:** Mr. Chairman, in the livestock area, as I have indicated earlier, one of the major thrusts will be to, at this particular time, try and deal with the situation that's before us and that is the immediate problem with the livestock pasture and feed situation. Now in the longer term it's a matter of keeping in place support people, specialists in the area of livestock production to work with all the aspects of livestock production: The hog producers; the dairy producers; the sheep promotion or sheep production; the testing of the dairy products and the health aspects of livestock production so that the consumers of the province are . . . The business of making sure that the consumers get foods that are healthy and healthful and basically that's the overall major part of the department, but it is a matter of supporting our producers in livestock who are in the business of what I consider adding value to the products that we produce, the grains and forages that we produce in the province. This is really one of the major parts of the department.

**MR. URUSKI:** Mr. Chairman, what work has been done by the department to date in terms of looking at or identifying feed supplies in the event of a severe feed shortage for the summer months? We know that pastures are in very poor shape throughout most of the province and has an inventory begun in terms of feed supplies? What is the department and the Minister looking at as his ongoing analysis of the situation? Can he give us an update as to where he is at in this area?

**MR. DOWNEY:** Mr. Chairman, I have put in place, instructed the department to give us a full update of the amounts of all types of feed, to identify any feed that has been carried over, the amount of available spaces in any community pastures or the amount of private pastures that may be available in the different regions. We are setting up a co-ordinating office to look after that, so that the Ag Reps will feed that information in, and that the producers can, through a direct call, contact those individuals. In most cases, I would think, the farmers themselves have their



trucking people available to them, but we will be identifying livestock moving equipment.

I think the major objective at this particular time, Mr. Chairman, through you to the member, is to protect the breeding herds of livestock in the province. In fact, the feeder cattle are still trading at a fairly reasonable price and I would expect they would continue to do so. There is a good demand from the eastern parts of Canada for movement of feeder steers and heifers, but in fact it is a matter of making sure that we are doing everything possible to maintain the breeding herds in the province, that will be the basic major objective.

In the extreme western side of the province, part of the area which I represent, there are problems at this particular time with the feed supplies pretty well exhausted. The pastures, as he has indicated, have not been able to grow because of the lack of rainfall, and there are some farmers that are getting in pretty tight situations as far as being able to look after their livestock.

There is an active movement in place to identify these numbers of feed. The Chairman of the Internal Committee on some of the work being done on drought, Mr. Ed Hudek, is meeting in Regina tomorrow with the people from the federal government and the other two provinces to further work on contingency plans and programs that we can do more into the future, that we are working in totally a co-ordinated effort, as senior and provincial levels of government, to make sure we are able to cope with the situation.

I think, as members are quite aware of the fact, this drought is not just localized, that in fact it is a pretty general situation from the foothills of the Rockies to Thunder Bay and into the States to a large extent, and it is a situation where it has to be dealt with pretty well on the basis of federal-provincial co-operation and inter-provincial co-operation, because the movement of feed from one province to the other really can't happen because of the difficulties that will be provided within the different provinces.

One of the other things that we have done and are doing is to identify supplies of screenings, pelleted screenings, or alfalfa pellets, to make sure that we know of supplies. We know that the pelleting of screenings is taking place at Thunder Bay. We are getting the details of the quantities and what can happen in that particular situation. As we are all quite aware, a maintenance ration of grains or that type of waste production, screenings as I said earlier, can actually help maintain a cow herd. If they are on a very limited ration of grass, this can supplement them.

There has been a lot of work done these last few days. We are, as I say, considering and have plans in place to put in a co-ordinating office in the region that probably will be identified immediately, as the co-ordinating office will be Brandon. I have a statement that I will be making as this thing progresses, and numbers and everything will be available. We have it in hand as far as identifying the feed supplies.

On the longer term, we have also a program or package that we are putting together to try and assess, if we get certain amounts of rain, different seeds supplies; for example, millet, which is a crop

that can be seeded later on to take advantage of later rains or feed oats, that type of thing, seed oats, for later seeding. There are plans in place. There has been a lot of work done. The pumping of dugouts is another that we have worked fairly aggressively in. It is just to be hoped that the weather man doesn't leave us hang too long, because it is getting to be pretty serious.

I think the other thing that I want to be sure that the agricultural community are aware of is that in looking at the overall plans we have, I think, a couple of weeks yet really to see. There will be some grass grow in the areas where there is moisture, in the Interlake area, where I am sure that member is familiar with it, and the northern regions, where all reports are that there is some growth coming.

I guess the other problem we were faced with, or that hit the agricultural community in the last week or so, particularly the alfalfa, is the fact that we had frost in quite a bit of the province that set the early growth of alfalfa back and it is a multiple problem that we really didn't need.

I will be further discussing in more detail in the next day or so the actual details of the plans to — as I said, numbers, telephone number, quantities of hay, trucking, pasture, and that kind of thing.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Mr. Chairman, is the Minister considering making any bulk purchases or trying to corral some, whether it be feed supplies or grain supplies or even seed supplies, as he mentioned that there may be the opportunity of later rains to growths; is he considering those avenues to be put into place that he may want to move and make some bulk purchases? While on one hand, of course, you could face a criticism of saying, well, why did you expend this kind of money? There is no doubt that this criticism can come, but I think one cannot be criticized if he is attempting to do something. One of the areas might be, that he might want to consider, is the tying up of seed that can be used and even feed supplies of the screenings that he is talking about that may be worthwhile to be able to make sure the availability is there for that.

The other thing, and I would like the Minister to comment, it seems that I had heard on the news just the other day that the Canadian Wheat Board has announced a 1,000 tonne quota for barley, which can be delivered to the end of May. That being the case, it is a wide open quota of 40,000 bushels per farmer, 45,000 bushels per bushels per farmer, if the mathematics is right. It means that the barley stocks from grain farmers could very well be moved right out, and that may be a source of feed that the Minister should be looking at as well.

**MR. DOWNEY:** Mr. Chairman, on the point of getting involved in purchasing and that type of a program, first of all, I have indicated that the Chairman of our Committee is meeting in Regina tomorrow, Mr. Ed Hudek, with the PFRA and the other provinces to look at the programs that may be worked out between the federal government and the provincial government. To comment on any specific details until that meeting has taken place, it wouldn't

be fair. I would have to say that we have again identify what is available.

The member is quite correct, there has been a quota announced for barley, 1,000 tonne, and I think the mathematics figures to 43,000-and-some bushels per producer, and you don't have to have assigned acreage to sell it. There is no question there is a big demand for Canadian barley. The stocks are down. The demand for world feed grains have increased, and so we are in a position of feed stocks being moved out, and that is part of the assessment that has to be taken into account.

I think the other thing is those are kinds of programs or options that are available to move on, and at this particular time I think we have to have a little more precise information of quantities available and where we are at, but if it means that we were to enter into a longer period of dry weather, and it was obtaining supplies and that was the most acceptable or the best way to move to protect the breeding herds, then that is one of the options that would have to be acted upon.

**MR. CHAIRMAN:** 4.(a) — the Member for St. Rose.

**MR. ADAM:** I remember the last time we went through a similar situation, perhaps even as grave as this one that we are facing now, but I do recall that there was some pellets purchased by the province and identified, as I recall. I could stand to be corrected, but I am almost sure that we had purchased supplies of alfalfa pellets in Manitoba and perhaps even in Saskatchewan. I know that in my own situation I had a number of semi-trailers bringing in and filling up our grain bins with pellets for our own herd. We had a very successful wintering with a very short supply of feed, and it worked out very well. In fact the only feed we were able to get was straw and there was a little straw in the fall, and most of our cattle were wintered on straw and these alfalfa pellets, and some supplements.

I think the situation is more critical this year than it was then, because I think the water level in the ground was much higher than it is this year. This year it is frightening when I look at our own situation. The water table is so low and we are getting calls now from people around Lake Manitoba to close the dam so that this water doesn't disappear. They are concerned that the lakes are too low, so there is definitely going to be a problem.

I would strongly urge the Minister . . . I don't think that he will get too much criticism from members on this side if he takes the precaution of tying up some supplies of alfalfa pellets, because regardless of which way the rest of the season goes there will be some demand, there will be some shortages this year, regardless of which way you look at it.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Mr. Chairman, just to follow up on that. The Minister said he is considering, if all else fails, he will consider it. I should remind the Minister that at the time that the province did purchase pellets, we were criticized at the time that there was ample feed available at the commercial level, but the fact of the matter was the feed that was available all of a sudden started going up in price, and the

province's move in terms of purchasing these pellets and having them available had a dampening effect from what one could consider scalping in the marketplace from taking place.

That is one of the areas that the Minister should carefully consider and it may be worthwhile to have an investment of that nature just to prevent the thing that we were faced with, the people of Manitoba were faced with, the farmers were faced with when we had the years of wet weather and short feed supplies. That is one thing, if he moves in that area, that certainly, if he can purchase at a fairly reasonable price at this point in time, would at least maintain a stable price to farmers of other feeds that they would go on the commercial market to buy, because factually that did happen, prices started rising, escalating in the commercial field, and the purchase that the province made had a dampening effect on it and prevented the scalping that could have taken place.

**MR. CHAIRMAN:** The Honourable Member for Ste. Rose.

**MR. ADAM:** The procedure, Mr. Chairman, I presume will be for farmers in local areas to notify the Ag. Rep's office as to any feed available that they can spare at this particular time?

**MR. DOWNEY:** That's right, Mr. Chairman. The procedure will be to contact their Ag. Rep if they have feed or need feed, or pasture. There will be a co-ordinating office set up, of the Ag. Reps, so that they will phone that feed supply into that co-ordinating office and the farm community will be able to get that information directly from that particular co-ordinating desk, so that we will have a tabulation of what is where, for both the buyer and the seller, or the people in need or the people who have a surplus.

**MR. ADAM:** Get the two together.

**MR. DOWNEY:** That's right. A co-ordinating office, that's correct.

**MR. ADAM:** Okay.

**MR. CHAIRMAN:** 4.(a)(1)—pass — the Member for Lac du Bonnet.

**MR. USKI:** Mr. Chairman, I would have thought that the Minister at this stage in the estimates would have announced some sort of major contingency plan, on the basis of the present weather situation, and that things would be ready to go if the need arose. I gather that there has been no statement made by the Minister on that issue. Perhaps the Minister would like to tell us what his plans are.

**MR. DOWNEY:** Mr. Chairman, I can't help if the member doesn't sit in committee. I have gone through the process while he was out and the members of the committee were told what is in place at this particular time.

**MR. USKI:** Mr. Chairman, I see no special funding providing for —(Interjection)— No, no, I'm serious, Mr. Chairman. Is the Minister then going to

work — yes, I guess he can. There is a section somewhere, and I'm not sure where it is in the estimates, for relief programs. I think there is a flat amount which gives him authority, but it would have to be special warranted, I presume. Where does that show up in the estimates, Mr. Chairman?

**MR. DOWNEY:** Mr. Chairman, it shows up on the next page. We could get there very shortly . . . I'm sorry, it is shown under Special and Emergency Programs, in which there is a small amount of money. There would have to be Special Warrant put in for that amount of money.

**MR. USKIW:** What page is that on?

**MR. DOWNEY:** We passed it, Mr. Chairman.

**MR. CHAIRMAN:** 1.(c)(3).

**MR. DOWNEY:** 1.(c)(3). We have debated that.

**MR. USKIW:** I see. It's a standard 16.8 that's provided, yes. Mr. Chairman, I presume what the Minister is then relying on, is that should he need certain sums of money, he would then get authority by Special Warrant to do whatever has to be done.

In the area of feed supply, is the department in a position to know just where we stand in terms of our tonnages on hand and how large the drought situation is, because if you get into a situation, Mr. Chairman, I think it is obvious that the market pressures on feed supplies, as the Member for St. George has pointed out, would be such that even if you wanted to do something, you may not be able to because of a hoarding of feed, if you like, or buyers buying it up and trying to capital gain on it and so on. So the question is: Is the department in a position to do a survey to know how much feed supplies are available? —(Interjection)— All right, if he has, Mr. Chairman, I have no problem.

**MR. CHAIRMAN:** I think the Minister earlier did express the fact that the northcentral States and the Prairies were all in the same condition.

**MR. DOWNEY:** Feed supplies were dealt with, Mr. Chairman, and the program of . . . are being dealt with.

**MR. CHAIRMAN:** So it does seem like we are a little bit repetitious. It is 11:30, or close to it.

**MR. USKIW:** Mr. Chairman, I don't intend to repeat anything. I simply want to know whether, at this stage, the department is in a position to know the feed requirements, if we are going to continue with this kind of climate. Does the department know that we have 200,000 tons of hay supplies, or 100,000 tons, or 10,000 tons, and how long would it take the department to find out just what the feed supply situation is in Manitoba?

**MR. DOWNEY:** Mr. Chairman, I answered that earlier, and I'll indicate to the members again, because it is important, that it has been done. There has been work by the department over the last few days. It is a changing picture because of the fact . . . But I indicated earlier, as members were aware,

the plan is, and has been, to identify feed supplies and co-ordinate them to the Ag. Rep offices so they know what is in their region, and put that information in place in a central co-ordinating body. For example, the southwest region and the western region of the province are pretty well exhausted as far as the quantities of feed in storage. The Interlake area, there are known quantities in that particular region. The pastures in the south and west area are in a situation of being, you know, two weeks. There is some growth but they are in short supply. There is some tame hay being pastured. I indicated earlier the added problem because of frost. It killed off the early growth of alfalfa, which again complicated the problem.

When we get into the eastern region, we see a good growth of alfalfa coming because of the moisture conditions. Again, the same in the northern region. But the last week has been cold and there has been slow growth in the pastures. Where there is now moisture and warm weather, I think we will see some good pasture growth.

Again, the major objective at this time is to make sure that the cow herd, the breeding stock herd, is able to be maintained at a fairly reasonable level. The feeder cattle market has been relatively strong, or an average to good market. The demands in eastern Canada for these feeder cattle have been good. They have been getting sufficient rain supplies, so I think the normal flow of feeder cattle will take place without the difficulty that the breeding stock people have.

It is a situation that we have under control as far as knowing the feed quantities, co-ordinating that, and also making sure that if there is pasture, private or community pasture available, that the farmers know where it is and can get transportation to that pasture.

**MR. USKIW:** Mr. Chairman, I raised the question because there are a number of areas where the department could have some beneficial effect, but it might require some change or modification of policy. The government, through its ownership of vast areas of Crown land, has some access to some form of feed supply, perhaps not the kind of feed supply that we would want to have, but at least there is some potential there. We have community pastures, and I know what happens in a tight feed situation in a pasture situation, Mr. Chairman, we have interprovincial competition for community pasture space. We have had that experience many times before. I would hope that the department would be alert early enough so that we don't see Manitobans being pre-empted completely through the movement of Saskatchewan and Alberta cattle, particularly Saskatchewan cattle, into feedlots in Manitoba, although that will happen. All I am saying is that we shouldn't be totally pre-empted by that, and that may require some reassurance through a dialogue with federal people on the PFRA Program. I hope the department has that in mind.

These are some examples of areas that might prove to be points of alleviation but I don't know that they are.

**MR. DOWNEY:** Mr. Chairman, in response to the member, again, I went over it earlier when he wasn't

here. The Associate Deputy, Ed Hudek, who is the Chairman of our Committee, is meeting tomorrow in Regina with the other provinces and PFRA to discuss the very thing, because of the fact that the drought lies from the foothills of the Rockies to Thunder Bay, well into the United States, so it has to be a co-ordinated effort, to try and work co-operatively to not transfer cattle back and forth to cause problems in the other particular province. That is in place.

**MR. CHAIRMAN:** 4.(a)(1)—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, just to make sure that I don't miss it. The questions that I would like to pose to the Minister with respect to the Cattlemen's Association, would that be under this area, or where?

**MR. CHAIRMAN:** I think it would be 4.(b).

**MR. DOWNEY:** Mr. Chairman, under 4.(b)(2).

**MR. CHAIRMAN:** 4.(a)(1)—pass; 4(a)(2)—pass; 4.(b)(1)—pass; 4.(b)(2) — the Member for St. George.

**MR. URUSKI:** Could the Minister give us the breakdown of the expenditure under the Animal Industry Branch, what the thrusts are with respect to the moneys that are being requested.

**MR. DOWNEY:** Mr. Chairman, I dealt with that earlier in my opening comments, that it was in the area of supporting the different types of livestock, hog improvement program, an area of support to the dairy industry as far as the sampling of milk supplies, a record of performance program, the dairy inspection program, the Milk Lab, all the specialists for the poultry. Particularly, I said the emphases were to strengthen our livestock industry and provide — that we are in a position of giving them support in all areas, that it was adding an value to the products that were processed here, and then we got into the more immediate problems that we are faced with, Mr. Chairman. I spoke basically on the area of thrust in the livestock industry.

**MR. URUSKI:** Mr. Chairman, I should have raised it in 4. Is there any change in staff in this division in terms of this entire . . .

**MR. DOWNEY:** No, Mr. Chairman.

**MR. URUSKI:** There are no additions, deletions? Mr. Chairman, I would like to ask the Minister, in his statements previously indicating that the Cattle Producers Association is a totally independent body, there have been questions raised by producers who have attempted to obtain their checkoff fees from the association, and they have been unable to do so. They have written the association; they have phoned; and the answers that they have indicated was that the government has not approved the rebate forms. Those are the statements that have been given to farmers who have enquired about the rebate forms.

The Minister repeatedly has told us that there is no governmental involvement; he has nothing to do with the association; they are a totally autonomous body. Yet, Mr. Chairman, the answers coming out of that

organization are such that the government has not approved the form, so they cannot send the rebates to the farmers. Mr. Chairman, can the Minister explain to us, if there is any involvement, to what extent, and if there isn't any involvement, is he prepared to investigate this, because the checkoffs have been going on for a number of months and some producers have been enquiring to at least fill out the forms and have been unable to do so, Mr. Chairman.

**MR. DOWNEY:** Mr. Chairman, first of all, if that kind of information is circulating it's not correct, because the government does not have to provide or approve forms. It's an internal problem and it's something that I will check into, because if under the act the funds are to be refundable and if there is some particular hang-up with the organization, I will make sure that there shouldn't be, because that is part of the responsibility to return those funds. It is not a government move in any way, shape, or form, that is holding those funds up.

**MR. URUSKI:** Mr. Chairman, members of that organization have made statements to the effect that the resolutions passed at their annual meeting — that they were opposed to the method of collections under the Beef Income Assurance Program, yet there have been statements made that the entire program was being opposed by the Cattlemen's Association. Has the Minister received minutes of their annual reports and has he looked at the resolutions and their statements in the resolutions that have been passed by the Cattlemen's Association with respect to the payment and repayment method that is presently in effect under the Beef Income Assurance Plan? Has he responded to those resolutions?

**MR. DOWNEY:** If the member is referring to the resolution that was passed at the Annual Meeting of the Manitoba Cattle Producers' Association, the fact that they wanted to eliminate or reduce the payback to the province, yes, I have responded to it, Mr. Chairman. I have seen the resolution. I have seen all the resolutions and have responded to that particular one, if that's what he's . . .

**MR. URUSKI:** Yes, I'm referring — can the Minister indicate what his response was to them?

**MR. DOWNEY:** I don't know if he is referring to a written response, Mr. Chairman, I would have to check that out, but the request was to reduce or to eliminate the program, and that's what's happening.

**MR. URUSKI:** Mr. Chairman, was the resolution specifically to eliminate the program, or was it to reduce and eliminate the payback?

**MR. DOWNEY:** Both, Mr. Chairman, I believe.

**MR. CHAIRMAN:** 4.(b)(2)—pass; 4.(c)(1)—pass; 4.(c)(2)—pass; 4. (d)(1) — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, could the Minister indicate, on the Veterinary Services Branch, whether or not there are going to any new clinics built this coming year?

**MR. DOWNEY:** Not this year, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, I recall the Minister indicating in committee last year, there were a number of communities who were attempting to set up satellite clinics and at least, if I understood the Minister correctly, he said he would certainly be considering those applications, since they have been continuing on since 1977 for this fiscal year. Could the Minister indicate which applications are still pending and has he got any intentions for those?

**MR. DOWNEY:** Mr. Chairman, the member is probably referring to Fisher Branch which requested a facility. We indicated to them that consideration would be given to that particular facility. There is concern that it may take away or not be in the best interests of the adjoining hospitals — or not adjoining, I shouldn't use that term, the ones neighbouring, that they were supporting those particular ones. It's under consideration. The fact is that there is still a cash assistance grant made available to that particular region. We have not been successful in recruiting a veterinarian for that particular place, but would have to say that I'm still not satisfied that the other hospitals would not suffer from the building of a new one. But it is something that I said I would consider. I have considered it, but feel that we would look at it — I wasn't satisfied that it was in the best interests of the other clinics that were depending on that area for the running of those ones that are in place.

**MR. URUSKI:** Can the Minister indicate whether it is feasible, or at least has it been looked at by himself or by his staff, whether the satellite — I think that's probably the best word that can be used — the clinic that was proposed for Fisher Branch was not a full fledged clinic, it was primarily a satellite facility; whether or not some arrangement, or at least negotiations with one of the neighbouring vet districts — and the neighbouring ones would be Ashern on the west, and of course the existing one that they are participating in, which is Arborg — whether or not some arrangement with the veterinarian who is in that area could be made to maybe attract another veterinarian and operate it as a satellite of either one of those two clinics which are in the area?

**MR. DOWNEY:** Yes, Mr. Chairman, efforts have been put into that and will continue to do so. We feel it's important to provide veterinarian service for that area and we will make sure that every effort is put into providing that kind of a service.

**MR. URUSKI:** Could the Minister indicate how many vets are presently practising in the province in rural Manitoba?

**MR. DOWNEY:** Sixty, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, would those 60 be part of the provincial program of assistance to veterinary districts, or would some of those be completely on their own?

**MR. DOWNEY:** Some of both, Mr. Chairman.

**MR. URUSKI:** The Minister indicates some of both. Has he got any kind of a breakdown as to how many are operating within clinics or satellites thereof, and how many are completely on their own?

**MR. DOWNEY:** Mr. Chairman, there are four areas that have private clinics, and 30 provincial ones.

**MR. URUSKI:** Mr. Chairman, there is quite a hefty increase in this year's budget of the Veterinary Services Branch, can the Minister indicate what the increase entails or where is the expansion of the program, in what areas?

**MR. DOWNEY:** The major expenditure, Mr. Chairman, is drug purchases.

**MR. URUSKI:** Could the Minister indicate to what degree? If I recall, Mr. Chairman, the drug purchases were made out a revolving fund at one time. Has that been discontinued because of the changes in budgetary accounting procedures that the province has undertaken, and can the Minister indicate what the increase in the drug purchase is? Has there been a greater volume of sales, and how is the drug program run in terms of cost effectiveness and the like?

**MR. DOWNEY:** Mr. Chairman, the member is asking — the accounting procedure is different. We are not on the revolving basis, we're on the straight cash and it goes back into general revenues.

**MR. URUSKI:** Mr. Chairman, it appears to me that the members opposite don't want us to ask questions on the program. If they feel that the questions are not legitimate then let them say so and get into the debate . . .

**MR. DOWNEY:** Mr. Chairman, . . .

**MR. CHAIRMAN:** I think I recognized the Honourable Member for St. George, and if he wants to address his words to the Chair, we'll make that decision.

**MR. URUSKI:** Thank you, Mr. Chairman, . . .

**MR. CHAIRMAN:** The Honourable Minister.

**MR. DOWNEY:** I just want it correct. I suggested, Mr. Chairman, to the member that the increase was for drugs; that's not the case in the increase in the expenditures that we're debating here. The increase that he is asking is the area of Other Expenditures from 633,800 to 747,000 — it was a matter of an increase of moneys to the grants to special vet districts for 30,000; an increase in the AI technician subsidies of 15,000; to provide a grant to the Veterinary Infectious Diseases Organization, which I'll speak to a little more thoroughly in a minute, and the other was an increase to the Diagnostic Lab, Mr. Chairman, of 48,200. To go back to the grant to the VEDO organization, which is the organization in Saskatoon which has worked very well on the development of vaccines for calf scours, and now well on the way to vaccines for pig scours, there have been moneys committed from the dairy producers and the hog producers of the province. We have seen the provinces of Alberta and

Saskatchewan funding to a large degree the funds have gone in there. We have seen fit to additionally support the VEDO organization with 20,000, our commitment to start to support the work that is being done. I am pretty satisfied with the targets that they've been setting before themselves. They've been meaningful targets and the results have been pretty successful. So that's the increases in that particular area, and I apologize for not picking it up prior, I had the wrong page.

**MR. URUSKI:** Mr. Chairman, just to make sure that I understand the Minister correctly; he indicated the province of Saskatchewan and Alberta are also contributing to . . .

**MR. DOWNEY:** And British Columbia.

**MR. URUSKI:** . . . and British Columbia to this program. There was a 30,000 increase in terms of grants to veterinary districts. Has the formula and the cost sharing been changed, or is it intended to continue with the same formula with just a general one-time grant increase and the annual operating grant?

**MR. DOWNEY:** No, Mr. Chairman, this is not a particular allocation of funds, this is for other health programs within the Animal Industry Branch, and the changes in the bill that are in the House do not come within this appropriation.

**MR. URUSKI:** Mr. Chairman, the changes in the bill don't necessarily mean monetary changes, but is there an intent to bring about monetary changes as a result of the passage of legislation?

**MR. DOWNEY:** No, Mr. Chairman. The same funds are being requested this year as last year.

**MR. URUSKI:** The increase in terms of the AI program, is that primarily for semen, or is that in terms of allowances to the technicians?

**MR. DOWNEY:** Mr. Chairman, the amount indicated is mostly technician subsidies.

**MR. URUSKI:** Is there an increase in the numbers of technicians, or is that an increase in the costs that are being paid and that reflects that cost?

**MR. DOWNEY:** The increase reflects a number of increased services, Mr. Chairman.

**MR. URUSKI:** Would the Minister care to elaborate on that?

**MR. DOWNEY:** Mr. Chairman, the member is aware of the fact, I'm sure, that the more animals that are serviced by the A.I. technicians, that the funds are needed to pay the additional subsidy on those additional animals, and that's what it is made up of, Mr. Chairman.

**MR. CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I'm wondering whether the Minister has undertaken a survey to find out the worthiness, or lack of worthiness, of the A.I. Program at this particular stage. You know, it has been a

program that has evolved over a good number of years with a fair degree of controversy. I think that it's fair to say that a number of governments, three that I can recall, perhaps even more, have tried different methods of dealing with the problems in the industry and I'm not sure just whether we are succeeding or not. Is the A.I. Program expanding? Do we have more technicians, less technicians? Are the subsidies increasing or decreasing? How many are self-sustaining? How many have to be subsidized? These are the kinds of questions.

I suppose we should know statistically, although that is probably available from away back, what the cows think of the program.

**MR. DOWNEY:** Mr. Chairman, the member refers to some controversy. I think that to this particular point, the board of directors have indicated to me their satisfaction that it is working not too badly, in the best interests of the producers and to the dissatisfaction of the cows. I think that the natural process seems to be somewhat favored, I would think, by any of the certain species of animals that are on this earth. But I think it is a matter of making sure that the —(Interjection)— No, I'm sure that there are a lot more members of this committee that could speak with a lot more authority than I can.

Anyway, to get back to the program, there are about the same amount of technicians, which are 40, I believe, technicians involved in the program. There has been a slight increase in the subsidies. The scale now ranges from 3 for the first 500 inseminations; 2 for the second 500; and 1 for the second 1,000; and 50 cents for each insemination over 2,000 per fiscal year.

There is a matter of still trying to encourage the use of insemination and give some support to the technicians who are in the business of providing that service.

**MR. USKIW:** Mr. Chairman, I suppose it's all right to have a bit of fun, but seriously, my point really with respect to the reaction of the cows to the program has to do with whether or not we can see a marked improvement in conception rates compared to, say, five years ago. That's really what I'm trying to find out. Is the artificial system improving on a basis of conception rates from what it has been in the past?

**MR. DOWNEY:** Mr. Chairman, the knowledge that is becoming more available to the people that are in that process and the development of it, I haven't got the statistics here to indicate one way or the other, but I do know that, for example, as he is aware, the majority of the dairy producers use A.I. to pretty well the maximum extent. It is a little more easy to manage the business. So it is a matter of the type of operation that you are servicing.

There has been a program — not a program but at least some work done in heat synchronization within the beef industry to try and accommodate the gathering of the cattle and inseminating at one specific time. So it's a matter of those kinds of things and to some degree of success, I would say.

But as far as the overall natural process versus the insemination process, the increase of pregnancies, one or the other being better than one or the other,

then I don't have those statistics. But there are indications that with heat synchronization and the dairy industry pretty well using the A.I. business totally, that it would appear that there are some improvements in the conception rates.

**MR. USKIW:** Mr. Chairman, I think the question is not unreasonable in the sense that there is obviously a marked difference in the operations of a dairy farm to that of a beef-producing farming enterprise. What I was trying to find out was whether or not we have been doing some data work to determine whether or not we are losing pounds of meat production because of having to repeat artificial insemination and so on, where cows have not conceived on the first or second time around and then we've lost several months in the process so that instead of having one calf a year, you get one every year-and-a-half or whatever.

What I am saying is do we have stats to show just what our batting average is in terms of production of beef? —(Interjection)— Yes, but there must be some stats on that as to . . .

**MR. DOWNEY:** Mr. Chairman, the conception rates, I am sure, of the work that has been done by the technicians, will be available. As far as the indication of the amounts of pounds of beef lost or gained, it would be a little bit finer tuning of using those stats, but I would think we could get that information for the member.

**MR. USKIW:** It's not urgent; I'm just curious.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Mr. Chairman, has there been any change in the Scholarship Program for the Veterinary College?

**MR. DOWNEY:** Not at this time, Mr. Chairman, but it is under review.

**MR. URUSKI:** So there will be no change in this year. Have we had an increase in numbers of students? Because the Minister has spoken on this topic in terms of his hopes and desires to put through more students, I believe. At one time or another, he has mentioned that. What is the situation now and what does he see for the next year or two?

**MR. DOWNEY:** There are 10 students in the program now, Mr. Chairman. It is under review and consideration is being given to increasing it by two, I believe it is, to increase the number of students.

**MR. URUSKI:** Mr. Chairman, could the Minister indicate whether there is any intent on setting up a dead animal disposal system within the province?

**MR. DOWNEY:** No, Mr. Chairman. There is already one in St. Boniface and there is one in Pilot Mound, that I am aware of, and also one in Brandon. So any additional ones, I'm not aware of anybody setting up . . .

**MR. URUSKI:** Mr. Chairman, is there any provincial assistance to those operators in terms of the pick-up of carcasses?

**MR. DOWNEY:** No, Mr. Chairman.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. ADAM:** Mr. Chairman, on health inspection at auction marts and that, are we moving in that direction, health inspection at the auction mart level and handling of livestock in transportation?

**MR. DOWNEY:** Not at the provincial level, Mr. Chairman.

**MR. ADAM:** Does the federal government look after that as far as, outside of the . . . No, there isn't any at all, at the federal level or not.

**MR. DOWNEY:** Mr. Chairman, not the actual type that I think the member is referring to, some form of ongoing inspection, no. The only inspections that are there are the ones that are involved in the brucellosis testing and to some degree there is, from some practical knowledge, an overseeing type . . . Because of their presence, I'm sure that there is some knowledge of how the different operations are operating and there is a certain amount of — supposing I could use the word — not responsibility, but visibility of their work on a general . . . Not regulating the system but just supervisory, Mr. Chairman.

**MR. ADAM:** I am a bit concerned about how the cattle are handled in transit from the stockyards to market and what happens in the case of losses to the ranchers because of bad handling and injured animals and all this kind of thing, that the farmers get subject animals and so on that . . .

**MR. DOWNEY:** As far as that is concerned, those subject animals are pretty much at . . . It's like having something go wrong with a field or a bin or grains that it was spoiled with bugs, that in fact it is very difficult to put in a program that would protect the producers against an animals that's diseased or sick, for some purpose, on the farm and it has to move on a subject basis. I guess, more particularly, the member was referring to bruises or mishandling and freezing of certain livestock. Again, the Member for Gladstone points out, there is a form of insurance which a lot of the truckers, in fact most truckers, put on. I know, for example, there is a program available through auction marts that if an individual is hauling their livestock to that particular point, as they do to the packing house industry, that they are covered by a form of insurance. Again, there are still some losses by the overuse of canes and that type of thing, the bruising, but it's very difficult to eliminate it.

**MR. ADAM:** Is there anything, like we're referring to animals, not exactly on the veterinary end of it, but is there any bonding for buyers and that?

**MR. DOWNEY:** No, not at this time, Mr. Chairman. This is one of the areas, I think, that has to be looked at. It is a matter of providing the farmers who are delivering their cattle with a form of security when they are selling livestock that the individuals who are handling the livestock that there is a bond

that covers the full system. That's an area that needs some development work done on it.

**MR. CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** I am just wondering, Mr. Chairman, whether the Chair wants to share with the committee its joke that it has just read. At least I gather it must be since the Chair was very much lit up over it. I thought maybe you might want to share that with us.

**MR. CHAIRMAN:** Not really. It was a deadly serious message. I always smile when we're in trouble.

4.(c)(1)—pass; 4.(c)(2)—pass; 4.(d)(1)—pass — the Member for St. George.

**MR. URUSKI:** Could the Minister indicate, in terms of the provincial soil test lab, whether the numbers of testing is increasing. Are there any changes in costs to farmers, and the like?

**MR. DOWNEY:** Mr. Chairman, the member refers to the soil testing lab at the University, the status of it. I guess, Mr. Chairman, I would have to say that we are doing a review of, first of all, the work that is being done, not the quality of the work but the fact whether it is meeting the target of the farmers' needs. There has been some criticism from the agricultural community that they are not getting the information they feel is sufficient to use when it comes to buying their fertilizers, that some of the recommendations aren't the same as they are obtaining from other sources, and I have had somewhat of an amount of criticism over the past few months on exactly that point.

I have indicated that I think it is a matter of having the department, having the people in the University, having certain farmers or those people in the business of selling fertilizers and farmers to review and recommend what they think is wrong with it, why aren't they satisfied with it. My impression is that we should carry on with the provincial Soil Testing Lab, that it is a good basis, that it is a non-biased organization that should provide straightforward information. It is a responsibility that I think has been taken on originally by the province and the University. It has been a service that was in place long before any other facilities were available. I am not saying that there shouldn't be private organizations used. I think there is room for other people, if they want to get into the business of soil testing, to provide the service, and if the farmers are more satisfied with that than they are from the provincial lab, then we won't restrict them or anything else, but it is a matter of making sure the University Soil Test Lab meets the target of the agricultural community. It again provides a pretty basic set of information for the farmers and we plan on continuing using, making it available, and making it work even better for their needs.

**MR. URUSKI:** I also asked the question, Mr. Chairman, whether there is any changing of fees this coming year in terms of soil testing?

**MR. DOWNEY:** Not any intended change, Mr. Chairman, for the coming year. Not for the coming year, no.

**MR. URUSKI:** Not for the coming year. Mr. Chairman, is the service operating on a self-sustaining basis, or is there some input into the costing of the lab?

**MR. DOWNEY:** Mr. Chairman, it is not totally self-sustaining. There is some support going into it.

**MR. URUSKI:** Mr. Chairman, has there been an increase; has the progression of samplings or testings that has been done, is it annually increasing in terms of samples?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. URUSKI:** Can the Minister give us . . .

**MR. DOWNEY:** No, I am sorry.

**MR. URUSKI:** Can the Minister give us some details?

**MR. DOWNEY:** Oh, I am sorry. The figures that I have for the three-quarters of the year, 1979-80, were 15,650 samples; for the total of 1978-79, we had 21,300 samples. So we need another 5,000 samples for the other quarter of the year to make it equal. We are comparing three-quarters of a year against a year.

**MR. URUSKI:** In terms of numbers, what is the prognosis? Will it be similar or above, or is holding, or because of some of the dissatisfaction that the Minister has received, has there been a bit of a drop back in that?

**MR. DOWNEY:** Mr. Chairman, they have indicated to me that last year it was done somewhat because of the late seeding and wet conditions in the Red River Valley, and the reason for the reduction at that particular time was the inability to get the soil samples into the Lab. Otherwise, I would say it is on a fairly static type number of samples.

**MR. URUSKI:** Mr. Chairman, the reports coming out last fall and this spring point to the area where we are likely to face a heavier than normal infestation of grasshoppers within the province. What contingency plans or what is the Minister and his department working out for this coming year, and what is the situation now? We have had the warm weather coming in the spring, which would have brought on the young hoppers and then, of course, the cool weather which may have slowed the rate of development down. Could the Minister give us some . . .

**MR. DOWNEY:** It is being watched very closely by the Entomology Department of the Department of Agriculture. I don't have a report as of just recently but there is spraying plans or contingency plans in place to deal with the situation, if it in fact were to become a major problem. At this time on a specific basis, in a specific part of the province, no, I haven't got the specific regions that may be effected but the



Entomology Department have it available and I can provide that information.

**MR. URUSKI:** Could the Minister tell me whether there has been any change because of the cool weather, in terms of what might be expected? Has that affected this, or we won't know for a week or two, as soon as we get some further warm weather then we will know better? It is just sort of a wait-and-see position now?

**MR. DOWNEY:** Mr. Chairman, the cold weather has slowed down any increased hatching or normal hatching at that particular time.

**MR. URUSKI:** I asked the Minister in the House with respect to the supply of chemicals, has a survey been done, and that the chemicals are available in the province?

**MR. DOWNEY:** Mr. Chairman, a survey has been done and there is chemical available. I don't know whether it is all stored in the province or not, but the product is identified.

**MR. URUSKI:** Mr. Chairman, also the province is involved in a soil survey, I think it is a cost-shared program with the federal government. Could the Minister tell us what the sharing arrangements are and how much of a program is envisaged this year and what areas are being covered?

**MR. DOWNEY:** Mr. Chairman, it doesn't come within this appropriation. It comes later on. I will bring it up at that particular time.

**MR. URUSKI:** At which?

**MR. DOWNEY:** Soil and Water.

**MR. URUSKI:** I am sorry?

**MR. DOWNEY:** Soil and Water. Agriculture and Water Development Division.

**MR. URUSKI:** Oh yes, okay.

**MR. CHAIRMAN:** 4.(d)(1)—pass; 4.(d)(2)—pass; 4.(c)(1)—pass; 4.(c)(2); 4.(e)(1)—pass.

**MR. URUSKI:** We were going backwards and forwards, Mr. Chairman.

**MR. CHAIRMAN:** 4.(e)(2)—pass.

**MR. URUSKI:** Mr. Chairman, (e).

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Mr. Chairman, could the Minister indicate what changes there are in the Technical Services Branch, if any, in terms of thrust?

**MR. DOWNEY:** Mr. Chairman, in this particular part of the department there is an increase in two staff years. There is a new thrust in this particular part of the department, which will be of fairly good interest, I am sure, with the rural municipalities. We are going to be entering into a program of rat control in the province, the same as the provinces of

Saskatchewan and Alberta. There has been several resolutions from the Union of Municipalities where they have requested a program similar to other provinces, and I think a very good idea to proceed to try and control, if not eliminate the rats. It will be aimed at the four-legged rats.

Basically, it is a good start to a program of eliminating rats, which I am sure all members of the Committee and the media are aware. Rats probably destroy more food by just contamination than they ever do by eating. They are one of the worse rodents that you have to deal with in the farm community. If you get infested with rats, whether it be in grain bins, hog barns, or in any particular agricultural, livestock or domestic location, they can be a real problem and we have moved to work with municipalities to implement a program. It is a start to what I consider a pretty important move to at least control, if not eliminate, rats in the province of Manitoba.

**MR. URUSKI:** Mr. Chairman, I was almost under the impression that the Minister was going to tell us that all the rats in the province are here in this room, and his program was here to eradicate the rats that have infested this . . .

**MR. USKIW:** To get the rats nest, not the rats. We are not rats.

**MR. URUSKI:** I presume The Farm Machinery Act falls under this area as well, Mr. Chairman.

**MR. DOWNEY:** Yes, it does, Farm Machinery Board.

**MR. URUSKI:** The Farm Machinery Board. The activity of the Farm Machinery Board in the last year, Mr. Chairman . . .

**MR. DOWNEY:** Mr. Chairman, the question, I believe, what was the numbers of people or problems that they were dealing with?

**MR. URUSKI:** Yes, the numbers of complaints and the types. There should be some analysis of the types of complaints. Is there any change in the problem areas that farmers are being faced with in terms of machine parts or what areas have been most common in the last year?

**MR. DOWNEY:** Mr. Chairman, under the program last year, under the Act, the Board has processed 200 registered complaints and 114 applications for leave to repossess.

Mr. Chairman, the complaints fall within the area of warranty; basically that is the major area of complaint that they have to make judgement on, the application of warranty for the farmers.

**MR. DEPUTY CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Mr. Chairman, of those applications for repossessions, how many were granted?

**MR. DOWNEY:** Mr. Chairman, I will have to get that information; it isn't in the notes that I have here.

**MR. URUSKI:** Okay, if the Minister could make a note of that and present it to us at the next time that the Committee meets.

**MR. DOWNEY:** Yes, I will make a note of that.

**MR. URUSKI:** As well, Mr. Chairman, in terms of the relationships between the dealers and the manufacturers, it has been raised with myself, and I presume with the Minister, that there is concern expressed by the dealers in terms of some of the proposals, or at least discussions, that are going on in the relationships between dealers and manufacturers with respect to the buy-back provisions of parts that the dealers may have in stock and sending back. Is there any consideration, and I know I have asked him before whether there is any intention to change The Farm Machinery Act or what is the Minister's view on this? Because dealers have expressed this concern with respect to manufacturers and the returning of parts.

**MR. DOWNEY:** Mr. Chairman, there has been a review, but I don't intend to move with any changes in the Act this year.

**MR. URUSKI:** Mr. Chairman, has the Minister been apprised of any difficulties the dealers are faced with in terms of returning unused parts and the charge-back provisions that are in place? Are there any problems that the dealers are facing?

**MR. DOWNEY:** Not that I have been notified of, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, The Farm Machinery Act is relatively new, and because it is such, you know, it is logical that from time to time you might want to keep refining it, or fine tuning it. Whenever governments move into legislation such as that which is essentially consumer protection legislation, you might say, there often is a tendency to perhaps pay more attention to one side of the issue as opposed to the other, if you like, and that sometimes is reflected in legislation, and through experience, I think that is the only way that you can find out whether your legislation is functioning as it should, or at least as it might be desired. That's why, I think, the questions put by the Member for St. George are valid. We have now had five or six years of experience, or more, of the legislation. It has been refined, I believe, two or three times.

**MR. DOWNEY:** 60-some amendments.

**MR. USKIW:** Well, initially, but subsequently it has been refined. But that doesn't mean that that should be the end of changes if it is not functioning well. I don't think anything in that legislation is engraved in stone, so to speak.

The real question is whether in your view, Mr. Minister, that it is now operating relatively well to the sort of general satisfaction of all components of the industry, manufacturers, dealers and farmers, or whether there are very serious problems that have yet to be resolved.

**MR. DOWNEY:** Mr. Chairman, at this particular point, I don't think there aren't any urgencies to

revise or to change the Act. I should make a comment here to the members of the committee and to the media, that there is a fairly major thrust being put forward also in the area of farm machinery, and that's in the farm machinery mechanics' course that is going to be started in Brandon at the Assiniboine Community College this coming fall, which I think is fairly significant for the farm community, and the farm machinery people who are servicing that farm community. I think it has been requested for some time, as the members opposite would be aware, that there has been pressure . . . Well, the Member for Lac du Bonnet says 1975. We have now made the announcement that there will be the farm machinery course in Brandon which, I am sure, is supported by the members opposite. We have seen fit to move on it, because I think it is a matter of the lack of trained mechanics throughout the rural community to provide service on what is now pretty highly technical equipment. We saw the need and proceeded to do that.

It is pretty well supported, as I'm sure the members of the committee are aware of the fact, that the Machinery Board have requested it, the machine dealers. I guess the concern that I had, was that it be built in or fit in with another type school of that kind and it seemed appropriate to put it in Brandon. I know there were a certain number of machine companies that would have liked to have seen it in Winnipeg, but we felt the need to put it in Brandon and that's where it is going. I want to make sure that the farm community is well aware of the fact that we are providing them with that very important service that will be started, hopefully very shortly, this fall, 1980, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, I am very pleased to learn that we have finally arrived. The proposal was put forward to our government, I believe — well, not a proposal, but there was some brainstorming done on it about as early as 1975 or 1976, and it really originated with a fellow by the name of George Schreyer, the ex-Premier's brother, who was in the implement business and who is also an operator of a large farm.

It was really his sort of brainchild, as I gather it. He drew it to my attention and we asked him to sit down with the people in the Department of Education. I believe Red River College was involved, and others, and a series of discussions took place. Subsequently, Mr. Chairman, there were people other than our people that were more successful at the polls, and that was the end of that, as far as I can recall.

I am glad to hear that the new government has carried on with that, because I thought it was a worthwhile suggestion and I think it will reward itself.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** I, too, would like to add my congratulations to the Minister. I know of people from my own area who have enrolled in the course in Brandon, young people who are interested in taking the course, Mr. Chairman. At some time the Minister probably should consider indicating how many students will be involved in the program and how it is progressing.

Mr. Chairman, I would like to ask the Minister, with respect to the Agricultural Machinery Institute, the testing facility that we have here in Portage and the operations thereof, what are the budgetary requirements for the Testing Institution for this coming year?

**MR. DOWNEY:** Mr. Chairman, as the members are aware, the program was in place, an agreement between the three prairie provinces, and the funding this year is, compared to last year, 517,000 compared to 446,000.00.

There is a capital requirement this year, and I also would like to say that there is a new building being built by PAMI at Portage la Prairie. There's an increase in that facility and the decision of the board of directors of PAMI was to build at Portage, which I am glad to see they made that decision. I think it is a matter of —(Interjection)— Mr. Chairman, I guess I showed some concern some year or two ago that we had maybe overbuilt throughout the province and I don't mind saying that the board of directors see that they want to expand with the program. I leave it to them as their judgement and providing our share of the funds, which hasn't changed any.

We have had a meeting with the other provinces to look at the agreement that was entered into, because I think we are about half-way through that agreement, and felt that it was only right that, most of us being different Ministers than the day on which the contract or agreement was entered into, that we should update and look at the participation on the board and that whole business. We have done that, are in the process of doing it, and find that it is one of those kinds of facilities, or one of those kinds of things that the western provinces, or the provinces, can work in the best interests of agriculture, the same as we have seen with the Veterinary College in Saskatoon.

I make those brief comments. I plan to and I will provide for members of the committee, and I don't imagine the full Legislature would maybe appreciate them, but I will be providing copies of the PAMI report for members of the committee. I have them available in the department but haven't — we didn't know we would get into this tonight. I will provide them.

**MR. CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I thought I might interest the Minister in the beginnings of this interprovincial program. It won't be very lengthy. It may interest him to know that it was a bit of a coalition between the Member for Morris and the Member for Brokenhead, which is now Lac du Bonnet, dating back to the 1960s, somewhere around 1967-68, that sort of sparked the idea of a provincial machinery institute.

Now, there was one operating in Saskatchewan prior to that, and as I recall it, in Opposition we suggested that Manitoba do something along that line as well. Out of that was a fairly decent debate in the House at that time and the suggestion came from, I believe it was the Member for Virden, that perhaps we can tie in together rather than going each our separate way. Subsequently, in the Seventies, that occurred. Just for whatever it is

worth to the committee and to the Minister, this does date back quite a number of years, almost 20 years, quite frankly.

**MR. CHAIRMAN:** The Member for Portage la Prairie.

**MR. HYDE:** Yes, Mr. Chairman, I wonder, through you to the Minister, if he could indicate to the committee, just from his information, who benefits the most from the PAMI experiments that are taking place at Portage la Prairie, and I'm sure in Saskatchewan and Alberta.

**MR. DOWNEY:** Mr. Chairman, when the member asks the question who benefits the most, I think it is a matter of the cost and the benefits. The provinces have shared on a basis of Manitoba 20 percent, Saskatchewan 50 percent, and Alberta 30 percent of the costs, because of the percentage of farmers in each of the provinces breaking down in that manner.

The benefits come to the farm community, who are interested in different or new machines that are being tested for their use. The benefits also go to manufacturers of small machines that want to test those machines to see how acceptable they are for the farm community, and it gives them a place to be able to say, We have put this machine under test, it is acceptable by PAMI, which is a testing institute, and they can go to the marketplace and the purchaser can have confidence that it has had the test that is required.

So it is basically the producer, the manufacturer and the total western region that get the benefit, plus other parts of North America, really. There is information that flows from there and, as I said, I'll give the report to the members so that you can have a complete estimation.

I think, really, as far as I am concerned, these are some of the comments that I made at the opening at Lethbridge, which I was out to, that really the work has just begun. The objectives, as the Member for Lac du Bonnet has said, the objectives were seen at that particular time. Now the facilities are in place, it's up to the farmers and the manufacturers now to use that facility to make sure it is fully utilized. The equipment and everything is there, now use it. I think that is the key to the future success of it.

**MR. HYDE:** That, Mr. Chairman, was what I wanted to ask. Is the farmer himself actually taking advantage of the information that is available to him?

**MR. DOWNEY:** I'm sorry, Mr. Chairman, I was distracted by the Member for Virden and the Member for Lac du Bonnet.

**MR. DEPUTY CHAIRMAN:** Would you repeat the question?

**MR. HYDE:** Mr. Chairman, do we have a record as to whether the farmers themselves are taking advantage of that? I have my doubts whether the farmers are taking advantage of that information that is available.

**MR. DOWNEY:** Mr. Chairman, that's part of the work that we are doing in reassessing where we are

at. I think that there is a lot more work can be done in advertising and using the information, what he is saying. I guess it is the same as any other annual report or any other report that comes out. The information is available if the people want to take it and use it. I think it is a matter of promotion, advertising, and making people aware of the fact that there is information or, in fact, if they buy a machine they want tested, that it's available to them.

So, again, I am pleased the Member for Portage la Prairie asked the question, because it again raises the point to me that we have to advertise and make people aware of the fact that that information is available.

**MR. DEPUTY CHAIRMAN:** 4.(e)—pass; 4.(f)—pass.

**MR. URUSKI:** Mr. Chairman.

**MR. DEPUTY CHAIRMAN:** On 4.(f)?

**MR. URUSKI:** Yes. Mr. Chairman, on (4)(f). Mr. Chairman, when he talks about the Training Branch, I know the bulk of the funds in there are the Agricultural Societies; can the Minister indicate the nature of that branch?

**MR. DOWNEY:** Mr. Chairman, no. What we are dealing with here are the 4-H and Youth programs under which we have our leadership training programs, projects and activities, the Agricultural Extension Centre at Brandon which is the agricultural school or used for winter courses, and another area that we touch on in this particular area, and there is also another thing that we have supported this year and that is to help the Manitoba Safety Council and that is with a grant to the council for alerting the rural people on farm safety. I think it is certainly an area that there has to be a lot more work done; that we see with a lot of the modern machinery that's available in the farm community, a real need for an updating of awareness, and I think they are using the same kind of a program as we have seen in the Awareness Driving Courses and that type of concept, which I am sure the member is quite aware of has been quite successful.

I think that we have to appreciate that most of us can just look around or look very close by us and see people who have been a victim of a farm accident and it is unfortunate situation that these things happen but farmers, being the type of people they are, are in a business of time being their worst enemy there is and always in a hurry and rushing, so they become the worst victims of accidents probably than any other group of self-employed people. We have put money in place to assist that program, to try and show our support for encouraging people to carry out safety procedures on the farm.

Another program that falls within this appropriation is Farm Vacations Association which again is another good program to introduce urban people, urban young people, or people wanting to vacation in rural Manitoba, there is an excellent opportunity and I think this is something that more people in the city should take the advantage of, our farm vacations. People who are hosts on farm vacations are excellent, offer excellent facilities and a good opportunity to get out of the urban setting into the

rural way of life and appreciate what kind of quality that can be experienced.

Mr. Chairman, another area that falls within this, of course, is the Women's Institute which the Member for Lac du Bonnet has had some experience with and he found out you don't fool around and remove home economists if you don't want to have all the rural women land on your doorstep. They're a tremendous organization. They do an excellent job of providing information to farm people.

They have a pilot program in Dauphin where it's a matter of working with juveniles who have been in trouble and they have a program where they make sure there is restitution paid to society by looking after those kinds of children. They are providing a real service to rural Manitoba. They have an Act under the Manitoba Legislature, The Women's Institute Act, and it's a group of ladies.

I have to say, just for the members' information, that I had an opportunity this spring to meet the head of the Rural Women's Association of the World, and her name was Dame Rae Rowe, who heads up or is the President of an organization of about 9.5 million women, representing all of the world basically, Rural Women of the World Association of which the Women's Institute are an affiliated member organization, a real strong organization and the main concern — and I think it should be put on the record — that her main concern is the concern of a lot of people in Manitoba and today's society, is the fact that the family center is breaking down because of the different ways of life that people have entered into, that we have seen a need for work in that particular area. This was her main theme of her talk, and a tremendous person and a real tremendous organization.

Basically, Mr. Chairman, this is the area which this appropriation covers.

**MR. URUSKI:** Mr. Chairman, the Minister indicated that there is support for the Manitoba Safety Council. Could the Minister give us the amount of grant that department is supporting?

**MR. DOWNEY:** 15,000, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, is the department providing the, not promotional material but the films, the educational material for the Safety Council for distribution or is that done under the Communications Branch or is the Safety Council putting . . . I know there are the film clips and the like. Does the province provide that to the Safety Council?

**MR. DOWNEY:** Mr. Chairman, the Safety Council are providing that; the department isn't providing the clips or any thing like that. It's just a straight grant of 15,000.

**MR. URUSKI:** That is the 15,000 is used for their developmental purposes of the clips or whatever they use?

**MR. DOWNEY:** . . . of introducing the Agricultural Safety Program throughout the province, Mr. Chairman. To help them support the Agricultural Safety Program throughout Manitoba.

**MR. URUSKI:** To understand it — I've seen the clips introducing it — then actually the department is involved in handling the course but Safety Council promotes the course; am I correct in that?

**MR. DOWNEY:** No, Mr. Chairman. It's a straight grant for the purpose of supporting the rural safety program. The department, other than maybe providing an office space or some support on a person's off-time as an employee of the department, but no, we don't have any specific involvement as a department; it's totally the Safety Council.

**MR. URUSKI:** Mr. Chairman, is there any expansion in the 4-H program contemplated?

**MR. DOWNEY:** Mr. Chairman, the area of 4-H, as far as expansion, there is some work being done. The work that is being done has been more through the direction of the Minister and the . . .

**MR. URUSKI:** Mr. Chairman, we can leave that because I see 4-H and Youth in another section. We can leave that.

**MR. CHAIRMAN:** 4.(f)(1)—pass; 4.(f)(2)—pass. The Member for St. George.

**MR. URUSKI:** No, on (3), Mr. Chairman.

**MR. CHAIRMAN:** 4.(f)(2)—pass; 4.(f)(3) — the Member for St. George.

**MR. URUSKI:** There is a substantial increase in terms of the funding for the Ag Societies. Could the Minister detail that for us?

**MR. DOWNEY:** Mr. Chairman, the main increase is an increase for judges' fees for the rural shows. There is an increase . . .

**MR. URUSKI:** How much for the judges?

**MR. DOWNEY:** An increase from 21,500 to 30,100, an 8,600 increase. There has been an increase to the Austin Museum and I would also speak to that just briefly. The Austin Museum increase of 25,000; we feel that there is room for more co-operation between the Museum and the Hall of Fame . . .

**MR. URUSKI:** What's their total?

**MR. DOWNEY:** Their total is 100,000, Mr. Chairman, for the Austin Museum, which is an increase of 25,000 for the operation of Manitoba's Agriculture Museum. I have had meetings with them and they have a good reunion show, and they have a Hall of Fame, that are wanting to get more involved, and so the approach of the province is to help them get that organization and recognize it as the Hall of Fame, the Austin Museum, and the Reunion as one unit.

I would say for the record, we've had tremendous co-operation from the boards of directors out there to —(Interjection)— that's right, they are excellent people and their objectives are basically the same. The Hall of Fame want to highlight and recognize rural people who have contributed to agriculture, and the people in the area of the Museum want to

identify and save the machinery that was used for agricultural production.

**MR. URUSKI:** Have there been funds put in by the federal government to this facility at all, Mr. Chairman?

**MR. DOWNEY:** Mr. Chairman, the only funds, I think, were put in to help build one of the buildings there, from the Heritage Canada Fund or something, that there was some initial funds but at this point there isn't. It's a good thought though; I think it's a matter of trying to get them involved and provide more funds.

**MR. URUSKI:** Mr. Chairman, okay, we've accounted for approximately 130,000; could the Minister indicate the remainder of the expenditures?

**MR. DOWNEY:** There is an increase in the Hall of Fame by 5,000 to 10,000 . . .

**MR. URUSKI:** In Austin.

**MR. DOWNEY:** That's right. An increase in the horse race, pari-mutuel tax from 9,000 to 12,000, which is 3,000 for the rural races to retain the tax . . .

**MR. URUSKI:** You mean refund them?

**MR. DOWNEY:** That's right and, Mr. Chairman, also the estimated amount for the Keystone deficit is raised from 50,000 to 70,000, which is an increase of 20,000. That's basically it. I'll make sure Jack Simpson knows that the Member for Lac du Bonnet suggested it was bad management.

**MR. URUSKI:** Mr. Chairman, the Minister didn't speak about the Agricultural Societies at all, the funds that are being provided to them. Is there any increase in grants to Ag Societies? He didn't mention it. We talked about judges' fees; we talked about Austin; we talked about Keystone and . . .

**MR. DOWNEY:** No, Mr. Chairman, there is no increase to the building grants. The increase in the operating grants to fairs are the same. There is an increase to the judges who work within the Ag Societies.

**MR. URUSKI:** What is the total amount for grants to the Ag Societies; what are the numbers?

**MR. DOWNEY:** The 192,000 for operating grants to fairs; building grants at 135,000.

**MR. URUSKI:** Mr. Chairman, I wonder if the Minister could tell us whether there's been any changes in the structure of the Ag Societies, not structure, perhaps that's the wrong term to use, no, whether there is any shift taking place from one class to another. I know that there was, I guess, a mixed feeling about the small Class C fairs on the part of the society people themselves, and are you expanding Class C societies or are they amalgamating into larger operations or what's happening with those?

**MR. DOWNEY:** Basically they are staying the same, Mr. Chairman.

**MR. URUSKI:** How many do we have?

**MR. DOWNEY:** I'll tell you there is one other thing that I want to raise at this juncture though, Mr. Chairman, and this will certainly interest the Members for Dauphin and Gladstone, and the Member for Ste. Rose — I believe it affects his area too — that there is one new society being chartered this year which will be presenting them with a charter . . .

**MR. URUSKI:** What size?

**MR. DOWNEY:** . . . and it's a C class society and that is the town of McCreary. They have requested it and qualified and they will be receiving their charter. I'll be presenting it to them in a week or so with a little ceremony and certainly would want everybody in the committee to know that there is an increased interest in Ag societies.

I want to compliment the people, and put it on the record, for their ambition to get into that business of working towards the Ag Society. Basically that is the major change at this particular time, Mr. Chairman.

**MR. CHAIRMAN:** 4.(f)(3)—pass; 4.(g)(1)—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, there is a reduction in the expenditures of the Communications Branch. Could the Minister indicate the work that the Communications Branch has undertaken or is to undertake this coming year?

**MR. DOWNEY:** Mr. Chairman, one of the reasons for reduction is the decrease in staff, two, and they are an Information Writer and a Clerk Typist.

**MR. URUSKI:** That is a decrease?

**MR. DOWNEY:** Yes.

**MR. USKIW:** A writer . . .

**MR. DOWNEY:** And a Clerk Typist.

**MR. URUSKI:** I was going to raise this, because I asked the Minister at the beginning — I wasn't going to ask questions with respect to staff when I talked about the Division; I talked about the entire Division — the Minister said there was no change in staff, so then I ceased asking any staff questions on every sub-component. At the end, if the Minister can make note of it, give me the blanket staff and any changes within the entire Division, rather than asking questions on each section, because I see that he misunderstood me, because there is a staff change there, Mr. Chairman.

**MR. DOWNEY:** Okay.

**MR. CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, the Minister indicates that there are two staff people eliminated, there were two positions eliminated. One is an Information Writer, is it?

**MR. DOWNEY:** That is what is indicated to me, Mr. Chairman.

**MR. USKIW:** Is that out of this building or the Norquay Building, where is that position?

**MR. DOWNEY:** It was out of the Norquay Building, Mr. Chairman.

**MR. USKIW:** Is that position to be filled again or is that . . .

**MR. DOWNEY:** No, Mr. Chairman.

**MR. USKIW:** Is the Minister in a position to tell me who that person is, and if they retired or transferred out or . . .

**MR. DOWNEY:** Mr. Chairman, I am informed that he has another job.

**MR. USKIW:** I think I know the staff complement and I am just curious to know which one was transferred out or moved out.

**MR. DOWNEY:** I don't have the information right here, Mr. Chairman. I can provide it for the member.

**MR. USKIW:** Mr. Chairman, is that a transfer to another section of the department or out of the government service?

**MR. DOWNEY:** No, out of government service, Mr. Chairman.

**MR. CHAIRMAN:** 4.(g)(1)—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, I wanted the information that I asked the Minister, are there any new thrusts in terms of Information Writing?

**MR. DOWNEY:** Yes, Mr. Chairman. In the area of new thrusts, it is a program that has been very well received by the farm community, and that is the Multi-Media Extension Course, which this year we featured rapeseed production, handling, the whole business. It is a TV type program, and I think we had something like 2,500 participants that signed up for the program; it was, as I said, a very good program and well received. That is the kind of work that is being entered into by the Communications Branch, looking at putting the information over a broader number of people for . . .

**MR. URUSKI:** What is being proposed for this coming year?

**MR. DOWNEY:** Mr. Chairman, the program that is being proposed for this year is in Weed Control, Chemicals and that type of thing.

**MR. CHAIRMAN:** 4.(g)(2)—pass; 4.(h)(1)—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, could the Minister indicate the amount of money and the program in terms of the Canada-Manitoba Northlands Agreement?

**MR. DOWNEY:** Mr. Chairman, basically it is a northern gardening program, Northern 4-H, which

basically the staff complement is the same, and the only increase is for increased wages. So basically it is a matter of our commitment to carry on with the 4-H programs in northern Manitoba, to support the young people in those kinds of activities, and also to help with the production of vegetables in the northern part of the province. It is all recoverable from the Northern Affairs Department.

I guess the other thing I should mention, and maybe I talked about under General Studies earlier — oh yes, I did, on the Study of Northern Agriculture, a general study. We have talked it on basic policy studies prior to this.

**MR. URUSKI:** This is where the thrust in terms of gardening and forage is going on in . . .

**MR. DOWNEY:** 4-H.

**MR. URUSKI:** 4-H?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. URUSKI:** Okay. The gardening is the greenhouse areas or actual garden plots in various communities?

**MR. DOWNEY:** Yes, Mr. Chairman. It is both.

**MR. URUSKI:** Mr. Chairman, could the Minister tell me what communities have a 4-H Program in northern Manitoba? How far is it extended?

**MR. DOWNEY:** Mr. Chairman, they are centred at Thompson, and I don't know what satellite communities they go to. I know there is an attempt to try and cover some of the other communities, but basically these are out of the Thompson office.

**MR. CHAIRMAN:** 4.(h)(1)—pass; 4.(h)(2) — the Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, the Minister issued a press announcement or statement having to do with a much larger concept in northern Manitoba, the Pasquia and the Wabowden areas. Where in these estimates is that item to be found?

**MR. DOWNEY:** Mr. Chairman, I told the member a few minutes ago that it was discussed in Policy Studies early on in the debate. I think the appropriation was Research: Policy Studies, (e)(1) under 1. We did cover it, and to some extent I must say, Mr. Chairman, a very thorough examination by the Member for St. George.

**MR. USKIW:** Mr. Chairman, I am aware that it was discussed. The question that I have is, when are moneys to be allocated to any development, if any?

**MR. DOWNEY:** Mr. Chairman, it is a matter of completing some of the study work so we know where we are at.

**MR. CHAIRMAN:** 4.(h) — the Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, are we talking in terms of a one-year study, two or three years, or what are we looking at?

**MR. DOWNEY:** Mr. Chairman, I think it is a matter of assessing what is coming out of it to see a progressive kind of a study. If there are developments that have to take place, then we will move into certain areas with the other kinds of work that have to be done.

**MR. USKIW:** I presume the department is aware that the federal government had a research project, and perhaps still does, in Wabowden, for some years. I just don't know how many — I think it was there for a couple of decades, if I am not mistaken, specializing in horticulture.

**MR. DOWNEY:** I don't believe it is operating, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, there is quite a bit of data there, and I think it should be accumulated and looked at.

**MR. CHAIRMAN:** 4.(h)(2)—pass; 4.(h)(3)—pass.

Resolved that there be granted to Her Majesty a sum not exceeding — the Member for Lac du Bonnet.

**MR. USKIW:** On a point of order. We did hold up one resolution . . .

**MR. CHAIRMAN:** That was on another resolution.

Resolved that there be granted to Her Majesty a sum not exceeding 7,655,700 for Agriculture—pass.

Is there a motion that Committee rise?  
Committee rise.

## SUPPLY — COMMUNITY SERVICES AND CORRECTIONS

**MR. CHAIRMAN, Abe Kovnats (Radisson):** This committee will come to order. I would direct the honourable members' attention to page 20 of the main estimates, Department of Community Services and Corrections. The item is Resolution No. 31, Clause 5, Rehabilitative Services, item (c) Rehabilitation Services to the Disabled, (1) Salaries—pass — the Honourable Member for Seven Oaks.

**MR. SAUL A. MILLER:** Mr. Chairman, before we go further, I wonder if the Minister could indicate the nature of the 225,000 which was included in the Supplementary Estimates tabled by the Minister of Finance on Tuesday night. There was 225,000 under Rehabilitative Services, and would he indicate what it is for, the nature of that amount; where it would fall in this category because it is this category, I gather?

**MR. SPEAKER:** The Honourable Minister.

**HON. GEORGE MINAKER (St. James):** Mr. Chairman, that would actually come under item (5) External Agencies, and it was a special one time grant to Arm Industries in Brandon, Manitoba. They had accumulated over the two years a deficit of approximately 200,000 and in order to get them out of this predicament, 200,000 of it was to eliminate

the deficits accumulated over the past two years and an additional 25,000 was put forward to assist in purchase of capital equipment in the shop that was outdated, with the understanding that Arm Industries themselves were going to go out in the area of Brandon to try and raise an equivalent amount of 25,000 to put up money for additional capital equipment.

**MR. MILLER:** Mr. Chairman, this is the Brandon Arm Industries. Would that be in addition to whatever was tabled by the Minister himself in the list of External Agencies? This would be over and above and above that amount; is that right?

**MR. MINAKER:** That is correct, Mr. Chairman. They will receive approximately 410,000 this year. We, I believe, have listed 185,000, which primarily covers the salaries for a special type of vocational training and counselling staff that are required in order to provide part of the service that our Ministry provides to the mentally and physically disabled.

**MR. CHAIRMAN:** (1)—pass — the Honourable Member for St. Johns.

**MR. SAUL CHERNIACK:** Thank you, Mr. Chairman. I will deal with this under Salaries, although possibly it belongs under Item 3, Financial Assistance. I'm sure the Minister isn't particular just where I raise it, as long as he has an opportunity to respond. I assume that, as a Winnipeg MLA, he has been approached by the Council of Women of Winnipeg, as were others of us, in connection with their concern about children who are in foster homes, who have special needs and who are looking for adoption, particularly in relation to The Child Welfare Act, which provided a Section 104, which has not been proclaimed either by the previous government or the present government, which reads, and I quote, When the Minister has reason to believe that the interests of the child may best be served by the granting of a subsidy to the adopting parent, he may authorize payment of such an amount and in such form as in his opinion is justified.

The letter I received, which I assume that the Honourable Minister received, along with other members who represent the Winnipeg area, is one which petitions the MLAs to urge upon the government the proclamation of that section. We, in our caucus, had an opportunity to meet with representatives of the Council to discuss with them this problem, which I would try to summarize by saying that they have found that there are a number of children who have special needs, who are in need of special help. Some of the examples given to us is an amputee child, or a thalidomide child who has to have special prosthetic devices, which are costly and in some cases involve sending the child for treatment outside of Manitoba under circumstances which are not subsidized by the Manitoba Health Services Commission because they may involve more in travel and in living expense than in treatment itself.

The case they are making, is that there are children of this type, with these special needs' problem, who are in foster homes, who have been there long enough for them to establish a very strong loving and caring relationship with their foster

parents, and whom their foster parents would want to adopt and give them the security of being children of the family, but foster parents who are unable to accept the financial responsibility of caring for such children with special needs without assistance from government. And the legislation which was brought in in 1975 was intended to take care of such a case, where a foster parent home is financially unable to accept the added responsibility, the much greater burden than any normal child would require, and therefore cannot afford to give up the maintenance received as foster parents. The suggestion was made, and I think it's valid, that it would cost less to have these children adopted and subsidize their cost, their care, rather than continue to pay full foster child fees. So that in the long run it would be a saving for government.

One can well see that it is maybe difficult to assess the number of children and the amount of subsidy that would be required. I assume that that is the reason that this section was not proclaimed; it was probably under study. I happen to have on my left the two previous Ministers of Health who were responsible for this, and I understand from them that by the time the government changed hands they had not yet reached the stage of feeling that they had sufficient information on the basis of which they could proclaim this section and proceed. That's my impression, but regardless of that I wasn't party to their consideration or a member of Cabinet, so I'm not really knowledgeable as to what went on in the discussions that resulted in the proclamation being postponed or not being dealt with.

But during that meeting, Mr. Chairman, I had occasion to enquire about the problem as it is today. As a result of that, I was invited to and did communicate with the Executive Director of the Children's Aid Society of Winnipeg, which is most knowledgeable in this field, and I'd like to read into the record the letter which I received from her. It's a page and a half long but I think it speaks more in content, if I read it into the record, than if I try to summarize it or elaborate on it, so I will read it, Mr. Chairman. It's addressed to me and is dated May 5th, this month.

As you requested, I am pleased to submit the following information regarding children presently in care of this agency who might be candidates for subsidized adoption.

Staff estimate that there are approximately 39 children in all for whom subsidized adoption is indicated. Nearly all of the 39 have been with their foster families for many years. The foster parents and the children have strong parent-child ties but the foster parents are unable to assume full financial responsibility for the children. Otherwise, they could and would become the permanent family for them.

There are 9 children with special medical problems who need adoption subsidy in order to pay for specialized medical and dental care. For example, one child has a heart defect and requires a series of surgical procedures which must be performed in Toronto. This entails expenses other than medical care, such as transportation to Toronto and hotel and other expenses while there, for the foster parent and the child. One child will need an artificial arm. 700 of the cost for this is covered by Medicare, but



2,300 would need to be paid for by the foster parents, and they are financially unable to do so.

Nearly every child for subsidized adoption is expected to be short-term in duration of need. Some might only require one-time only costs, as with medical or dental services not covered by medical care programs. Also, once the 39 children are planned for it, ongoing need would be minimal. While it is difficult to be exact in prediction, I doubt that we would have more than five children each year thereafter to consider for adoption subsidy.

I am sorry that we did not have enough time to project actual savings. However, without any qualification, I can state conclusively that subsidized adoption would cost the province less than the present cost of maintaining these children in foster care. Funding subsidy of certain adoptions is a splendid opportunity for the province to do something positive and supportive for these 39 children, and to do it at less cost.

Thank you for giving me the opportunity to comment on this important issue. It is my understanding that the legal provisions for subsidy was made possible by the Child Welfare Act in 1975. I sincerely hope and recommend that the Legislature will make the law a reality by proclaiming and funding subsidized adoption. The letter is signed Sincerely, Betty A. Schwartz, Executive Director.

Mr. Chairman, the point that is being made here is, according to the information of Miss Schwartz, 39 children now are in foster homes at the expense of government and could be adopted at a lesser expense to government if their special needs were taken care of. And the important thing is that the 39 would take care of a backlog of many years. Her estimate is that the average in the future could be about five children a year, which really is not many children, cannot amount to a very large total subsidy, but could save considerable moneys if these children were adopted in the homes where they are now and the adoption cost would be removed but the special needs would be accepted.

Mr. Chairman, I discussed it, as did others of our caucus group, with the members of the Council of Women of Winnipeg, who I'm sure the Minister and others know is a body which represents a great number of organizations. I have the list, 32 in number, that cover the entire spectrum of religious, social welfare groups, ethnic groups. I see university groups, Victorian Order of Nurses. I don't want to read all 32 names, but they are all highly respected and representative organizations and such, which do command the attention of any responsible group of legislators.

The one problem that does present itself is, why should these children receive special treatment? Surely there are many children who live with their own parents, natural born children, who have similar problems, and who should also be entitled to the same kind of assistance as foster children. Well, offhand, Mr. Chairman, I would not want to say that there should be a difference. I think that children with such special needs as have been described should not be dependent on their parents, regardless of ability to pay of the parents, or what sometimes happens when publicity is used in order to have a fund-raising endeavour in some small community or amongst a small group of people who bend their

efforts to raise funds for the purpose of dealing and assisting a needy child of that type.

This is a highly commendable effort on the part of those citizens who become involved, and the best way, I think, in which to get the community involved in assisting people in need. But there are two things about it. One is the publicity and charity aspect, which I don't think is good from the standpoint of the recipients of the help; that is the child, the children or the parents. And secondly, it's haphazard. It depends on how people react, what they know about it, and I think that is not consistent and could be an augment to government action, policy or program but should be used only in that way.

Mr. Chairman, I said that there really ought not to be a distinction made between the adopted children and the natural born children. On the other hand, the natural born children living with their parents — I think that I'm using the wrong term, all these children that I'm speaking of are natural born — children with their natural parents do have the advantage of being born into a family where they are supportive and where there is that relationship from Day One, whereas adopted children have to overcome a traumatic experience before they acquire those bonds. Therefore, I think that if I had to make the distinction I would favour the adopted child, as apparently does the Council of Women.

But I would think that if there are five children per year, average, of whom the Children's Aid Society of Winnipeg is aware, we could double that by doubling the population for Manitoba, say ten children. I don't know how much we would have to multiply that by in order to guess at how many children there are generally in Manitoba who would need this kind of help. But it is a very warming thing for government to be involved in. It is a very useful thing for government to be involved in. It is, in the long run, saving people, saving adjustment of people, it is beneficial to the province of Manitoba; it is beneficial to the coffers of Manitoba because I do believe that in the long run there's a tremendous saving to helping these children at the early stage rather than continue either foster care or foster home payments or other welfare-type assistance.

So, Mr. Chairman, I don't expect the Minister to have a quick response. If he has, by all means, but the least I would expect is for the Minister to accept this as a fairly urgent and important matter for him to involve his department in, in study, reflection and in the hope that he will see his way clear to proclaiming the section and making it work so that a number of children — 39 apparently we know of now and certain limited numbers in the future — will have a brighter prospect and will receive the help that I believe Manitobans would want to give to them.

Thank you, Mr. Chairman.

**MR. CHAIRMAN:** To the honourable members, I think the item that was discussed would be (c)3 Financial Assistance to Clients and I would ask the Minister if there's going to be a response to reply under that particular item.

The Honourable Minister.

**MR. MINAKER:** Mr. Chairman, I believe the subject, I didn't want to interrupt the Honourable

Member for St. Johns, but the subject that he is talking about, subsidized adoption, actually could have been dealt with under Item 4.(c) Maintenance of Children, Clause 30 which we passed the other night, but I didn't want to interrupt the Honourable Member for St. Johns because I am interested in the subject, so I'll be very short and brief.

The only other area where I could reply to, I guess the Honourable Member for St. Johns legally, would be under my salary, when we finally deal with that at the end of the estimates. But I can advise the honourable member that I have asked my staff to advise me of the number of special children that are in foster homes with these special needs and I'm waiting for that information and I am going to review the particular proposal that the Honourable Member for St. Johns has indicated concern about. The only thing I would add, and maybe the honourable member did mention it, is that if that is considered and established, I would like to see some time limit involved in that if the child has been in the foster home for a period time, say two years or something like that, obviously there's an indication by those foster parents that they love the child and would like to adopt the child but physically cannot afford to do so. Then I would think that would be a main criteria. The other thing is that in special cases at the present time, where a child has been adopted, we have put forward assistance on special medical bills that might not be covered by Medicare, that we do this from time to time, and I think the Honourable Member for Seven Oaks and St. Boniface probably experienced the same thing when he was Minister. But those are briefly my comments at this time and if we want to get into the debate later on in our salaries, that would be probably the appropriate time to do so.

**MR. CHERNIACK:** Mr. Chairman, I want to thank the Minister and you, Mr. Chairman, for your courtesy in letting me complete my remarks, I have no desire to debate this any further at all. Possibly the Minister can give us a progress report at the time of his salary but if not I would understand that he's not ready to. His expression of sympathy and positive attitude to this program is sufficient for my purposes now and I hope we'll hear further from him. I do thank him and I do agree with these few points he made, about certainty that the foster parents are truly potential adoptive parents.

**MR. CHAIRMAN:** (1)—pass; the Honourable Member for The Pas.

**MR. MCBRYDE:** Mr. Chairperson, I want to ask the Minister a few questions in terms of the rehabilitation services in regard to especially the mentally disabled, but I think it would apply also to the physically disabled, and I wonder if the Minister has outlined the agencies that receive funding under this and as I understand those agencies, their basic purpose is to provide opportunity within the community so that people can receive community care. So my question is basically around the community care and what is happening at this time. Mr. Chairperson, as I understand, with my limited knowledge of the agencies that are supported under this section and by the Minister's department, is that some of them have employment opportunities that are ongoing,

that is they have a saleable product but they need some subsidy in terms of being able to make their product competitive and provide employment through that mechanism.

I'm aware of some other agencies or sheltered workshops, etc. for the mentally retarded where they try and survive in producing crafts and arts and that kind of work and selling them to the public, but it seems to be that it is just about impossible to survive and receive adequate funding from that kind of resource. There are some industries that have a service that can be specifically provided and one industry seems to be one that uses a lot of nuts and bolts and they sweep all these up into buckets and then they take them to these centres and the people sort the nuts and bolts and put them in the proper sizes, so that they can be returned to industry and reused. And I know that an institution like this in Seattle, Washington, does this for Boeings and an institution like this in Campbell River, B.C. does it for the pulp and paper mills in their area and, Mr. Chairperson, it might not sound like that prestigious a job but it is a prestigious job within that organization because people knew that they were doing it for real money as opposed to arts and crafts kind of things where they're not sure that they're really earning anything doing it, and it seems to be an important part of allowing the agency to survive plus giving employment to people.

The other kinds of things that have been done, Mr. Chairperson, I wonder if the Minister could comment in terms of what's happening, in his knowledge, in Manitoba, is that, for example, in some areas they actually have an arrangement, rather than with an agency, directly with a local bank. And so the person's cheque will go to the bank, who has some trouble managing funds on their own, and the bank will actually disperse the money as the person needs it. That is, they'll say Have you paid your rent? — and if they've paid the rent then they allow him so much spending money etc. etc. So the private banking institution has shown a willingness to cooperate and assist in this kind of a situation. The other — and I'm assuming that we here in Manitoba make an effort wherever possible to have mentally retarded adults live outside their own home and allow them to attempt to be independent and normally productive — but there is then, if you do that, Mr. Chairperson, certainly it's a lot cheaper than any institution and certainly it seems to be for the general benefit of the people and the community, but you do need some kinds of backup and support services to make that happen, which are some of the things the Minister does have in his budget right now, Mr. Chairperson.

So I wonder if the Minister could enlighten me further in those areas that I've asked him about.

**MR. MINAKER:** Mr. Chairman, the honourable member indicated that it appeared there was difficulty with the funding of some of these occupational activity centres which was discussed last night to some degree, in particular with regards to the Swan River centre, and we indicated at that time, that we had increased the funding this year by some 11 percent, increased it to 100 per month per client in the occupational activity centres and that we were looking in particular interest at the Swan River

one. In fact, our staff met with the Swan River centre today and I don't know whether they're back from Swan River as yet, to look at their accumulated deficits.

With regard to incentive incomes for the clients, my understanding is that personally many of the adult clients will be receiving social assistance, but in addition to that some of the centres have an incentive where they will pay them a certain amount of income for the work they produce. And the honourable member I think asked with regard to how the funds were administered with regard to where an individual receives either the social assistance or the pay from the centre, and it's my understanding at the present time that I would think the majority of those funds are administered by the public trustee, by law, but I don't believe there's anything that's been arranged with the banks as such, between the individual and the bank. They are primarily administered by the public trustee at the present time.

**MR. McBRYDE:** Mr. Chairman, I was hoping the Minister would paint me a broader picture because I'm not, maybe a couple of my colleagues are more familiar in detail with how we deal with adults who are able to function in the community but are marginally able to function within the community. And I am not myself familiar with the nature of the programs exactly that we have in Manitoba, so maybe the Minister could tell me how this trustee system works, how it operates and the . . .

**MR. MINAKER:** Mr. Chairman, a lot of these individuals will be living in foster parent-type homes, even though they, say, are of the adult age and the foster parents actually assist them with their budgeting and their life skills, and what have you. The facilities themselves do some counselling and assessment in the case of centres like Arm Industries in Brandon, they will have 45 of their spaces out of the 90, will be what they call assessment spaces, where they will teach them basic skills such as — well first they assess the level of the ability of the individual, then they will go into such things as, in the case of a woman, possibly sewing; in the case of teaching them how to make change — they'll say to them, this costs 75 cents and you've got a dollar, what kind of change should you expect, and they have this little area sectioned off and they have counsellors to try and assess and assist them.

And then the other 45 spaces in the Arm — (Interjection)— yes, the 45 spaces are for vocational training where the actual production goes on in the manufacture of lawn furniture and children's furniture and so, and this type of service is provided in those three workshops that receive a special type of grant to cover primarily the special cost for the counselling and the training, and in most cases pretty well covers the general overhead for the cost of that kind of salary etc. I know in the case of Arm Industries, it's very close to covering their basic overhead.

In some cases they have a portion of the shop sheltered, sheltered business as we call it, where the individual is kept employed there. In the case of the occupational activity centres, their objective is to try and train the individuals or clients in such a manner that they can go on into industry and work in the

normal way in industry and are not primarily a work shelter-type of operation. And in addition to that, in all of our regional delivery systems, as we indicated when we were in that area, we do have mental retardation workers to help them right within the community and I think that was discussed to some degree earlier in the estimates, but these are some of the facilities or services that we have with regard to rehabilitation for the mentally retarded.

I might point out the same workshops also employ or have clients that are physically disabled and mentally ill, so it's not just related to the mentally retarded but anyone that has a disability can have an opportunity to receive this type of service.

MINAKER to the mentally retarded, but anyone that has a disability can have an opportunity to receive this type of service.

**MR. CHAIRMAN:** The Honourable Member for The Pas.

**MR. McBRYDE:** Mr. Chairperson, I'm wondering in our situation here in Manitoba, in the sheltered workshop situation, sort of the kinds of work that the workshop is able to get, and how close are some of these to being self-sufficient in terms of their production, in fact, paying for the operation? I'm assuming that there would be some subsidy needed, for most of these operations, the ones that the Minister is currently supporting. I guess I'm curious as to the kind of work they actually do there, the Minister mentioned sewing, I think, is one option. I'm wondering if in fact they have been able to get different kinds of contracts, like the one I mentioned that seems to be one popular with industry is the sorting nuts and bolts; whether they've been able to get any contract with the department of the province. I'm aware in one area where they do it with the Parks Branch where a local institution, a workshop of this type, looks after park sites in their particular region. The format they used there, and maybe the Minister could tell me if some of the institutions we're talking about under this section are using — I'll go slow, Mr. Chairperson, because I want to make sure the Minister gets the information to answer the question, before I go on to the next one. I'm wondering if there's some type of system like the one that I am aware of. When they are able to contract out some jobs, some cleaning jobs, parks jobs, etc., and what they do is just send one of the staff people over there to see how long it takes them to do the job. Then they get some of the outpatients or the mentally retarded people to do the job and there might be 6/10ths efficiency. So they get paid on the basis because it is a contract and they have to produce and meet their contract requirements; they pay them 6/10ths of the amount that would be paid normally for that job and so they have that kind of a system to define. I wonder if the Minister could bring me up-to-date on our operations of this type and how they are similar or dissimilar, how they operate.

**MR. MINAKER:** Mr. Chairman, my understanding is that most of the activity centres are providing contractual work within the centre itself. It might be assembly — I believe there's some basic assembly in Winkler related to the recreational vehicle industry

that's out there. I know in the case of, I think it's Skills, they do some work for Cara, I believe it is, that's the food supplier on the aircraft in terms of stuffing envelopes with the plastic knives, forks and the napkins and stuff like that. In the case of Arm Industries, they are providing primarily wood products. What normally happens in most of these occupational activity centres, there's an interested group of people in the community that form the board and they might have a full-time staff member who is involved in marketing and trying to get some type of contractual work for the shop. But it can vary to a number of things, but I'm not aware of any that provide, say, the service that the honourable member was talking about where they go out into the community and provide, say, cleaning services as such. The attitude that the department has taken through the years, is our primary objective is to see that the people, these special people, receive the counselling, the training, and hopefully we'll end up in the work force — not in the workshop anymore, but out in industry — that they receive this type of service. We have not in practise got involved into running the operation as far as from a business point of view or assisting in marketing. We have, in the last two weeks, on a special instance with Arm Industries become involved with that because of the special 225,000 grant that was required that really the majority of it had been accumulated in one year. What we did provide and offer to Arm Industries was that the Economic Development Department of my colleague, the Minister, offered the services of some of his staff to provide consultants' services in terms of marketing. That has been about as close as we've got to getting involved in the actual physical operations of the facilities and to my knowledge I believe there was some special one-time grant required — I think a couple of years ago there was a special one-time grant to pick up the deficits of Skills industry. But my understanding is the majority of the workshops are operating not too badly. I think there's about two or three that are operating at a slight deficit and we are reviewing that at the present time. We hope that the 11 percent increase that we have introduced this year will overcome any further accumulated deficits.

**MR. DEPUTY CHAIRMAN, J. Wally McKenzie (Roblin):** (c)(1)—pass; (c)(2) Other Expenditures—pass; (c)(3) Financial Assistance — clients—pass — the Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, with regard to Financial Assistance — clients and External Agencies, frankly, I think it's almost one and the same thing, and what I may be asking may belong in No. (4). But with regard to the payment, it's based on so much per client; last year, it was 90 per client. Is there an increase for this year?

**MR. MINAKER:** Yes, Mr. Chairman, there's an 11 percent increase. We've increased it to 100 per client this year per month.

**MR. DEPUTY CHAIRMAN:** (c)(3)—pass; (c)(4)—pass; (c)—pass; (d) Employment Services: (d)(1) Salaries — the Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, I read the item as being, but leaving out certain words, assists persons having difficulty in obtaining or holding employment due to vocational handicaps. What I wanted to raise to the Minister is a problem which was presented to me by a constituent and which I did raise to the Honourable Minister of Health on April 28th, when I referred the Minister to Hansard, Page 3034, where I mentioned the problem that was presented by this constituent. I'll summarize it and tell the Minister that my constituent is a person who is a registered blind person who works, has I gather, full-time employment, but whose ability to work is hindered, of course, by his reading impairment and who told me that there is a device which he has learned about which he told me was a tele-sensory paperless braille device which is quite costly. But if he had the use of this it would be tremendously helpful in his work, which means, of course, getting work, retaining work, growing in his work situation. His entire situation would be greatly helped by the use of such a device and he has been given to understand that there are occasions when people who are out of work with this disability can have access to assistance, but once they are working they cannot. That, to him nor to me seems to be adequate assistance that could be given. The question I raise is whether there is a program available for people who are employed who have disabilities and who cannot afford to purchase or rent or obtain the help that they need, or the mechanism they need. This particular one, the constituent said cost some 6,500, so my own thought was that possibly there is a way to subsidize the purchase, possibly arrange for temporary use of such a device, assistance in the purchase of it by way of payments, some way in which assistance could be given to people whose work would be assisted and would thus be able to make a greater contribution to society and, of course, to themselves. I raised it to the Minister — I think I described it a little more extensively than I did now — and the Minister indicated, as I recall it, that it was a matter in which they are trying to achieve greater assistance under the Insured Services area of the Health Commission's operations and the Medical Supplies and Home Care Equipment Branch of the Department of Health. He concluded by saying, Certainly the subject raised by the honourable member can be considered in that light for introduction and inclusion at some point in the future. On that basis I would like to invite this Honourable Minister to join his colleague and see whether something can be done in a positive way, unless he's able to inform me that this division in his department is indeed able to assist that person now or that kind of person now. If not, could he at least undertake to pursue this matter with the Minister of Health and between them sort out who, which department, which division within whose department is best able to deal with the problem as I present it and possibly assist people such as I have described who are in need of help to be able to improve their own situation and thus, as I say, make a more positive contribution to society.

**MR. MINAKER:** Mr. Chairman, firstly, the gentleman that the honourable member talks about

with that disability would fall under the category of the Social Allowance Program, and we do have a Work Incentive Program under the Social Allowance. Where we probably would deal with that would have been under External Agencies, Item (4) that we just passed, where the CNIB deals in this. But we will discuss it with the CNIB to see what we can do for the gentleman but, normally, the section we're under at the present time deals with those people who are not disabled but are, you might say, low on the totem pole with regard to being able to keep a job or require the training of job skills primarily. But we will review it with the CNIB in this particular instance if the honourable member can give me the individual's name and so forth afterwards, we can try and see what we can do through the CNIB or through other parts of the programs we may have.

**MR. CHERNIACK:** Mr. Chairman, I thank the Minister. I will send a copy of Hansard for now, today's Hansard, to my constituent so that he will be able to decide whether or not he wishes to have his name given and he can then get in touch with the Minister, or the Minister will indicate — possibly Mr. Johnston or somebody else — to whom it shall be done. It will be on record and by my sending a copy of Hansard to my constituent he can deal with it as he sees fit.

**MR. MINAKER:** Mr. Chairman, what I would suggest to the honourable member is, I will copy him on the correspondence I have with CNIB and any information I get back or discussions that take place, I'll advise him accordingly, then he can deal if he likes with the information he receives with his constituent.

**MR. DEPUTY CHAIRMAN:** (d)(1)—pass; (d)(2)—pass; (d)(3) Financial Assistance—pass; (d)(4) Work Activities — the Honourable Member for St. Boniface.

**MR. LAURENT L. DESJARDINS:** Mr. Chairman, I wonder if the Minister can give us the workshop activities — there's five. —(Interjection)— Well, you should correct again, there's quite a few mistakes in that. This includes funds for operating of five work activity projects in the province. Can you name the four and give us the amount they received last year and this year, please?

**MR. MINAKER:** Mr. Chairman, I didn't get an opportunity to inform the honourable members that there was a misprint in the estimates and there are now four workshops that are in existence. There's the WestBran one, I guess the most famous one in Brandon; WHIP, Winnipeg; then we have Central Portage, which I believe used to be in Amaranth; and MANWOP, which is now in Dauphin.

Now last year WestBran received 649,700 of which the value of services in Brandon represented an estimate of 230,000, and this year we have scheduled 701,900.00. Is the honourable member interested in the type of work that was carried out last year? Okay. Winnipeg Home Improvement Project, they received 755,000 last year for value of services estimated at 235,000; and in 1980-81 we have budgeted 839,900.00. Then in Central —

(Interjection)— that's Portage la Prairie. Yes, it used to be at Amaranth and it was transferred to Portage, 345,000 last year, with value of services estimated at 100,000, and for this year we have budgeted 383,400; and at MANWOP in Dauphin last year it was 210,300, value of services estimated at 85,000 and this year we have budgeted for 231,800.00.

**MR. SPEAKER:** The Honourable Member for St. Boniface.

**MR. DESJARDINS:** Could the Minister tell us the total on each project and the job placement of each project also, for the last two years?

**MR. MINAKER:** I can't give it for the last two years, Mr. Chairman, but I can get that for him tomorrow, in 1978. I can give you the work activity statistics for '79.

**MR. DESJARDINS:** Can or can't?

**MR. MINAKER:** I can't give you for '78 but I can give you for '79, last year's.

**MR. DESJARDINS:** Well, report '79-'80 and '80-'81. Well, you wouldn't have '81, no.

**MR. MINAKER:** No. I can give you for last year, Mr. Chairman.

**MR. DESJARDINS:** That's all I want.

**MR. MINAKER:** In WestBran the participant capacity is 65. We served 191 participants. There were still 50 participants on the project as of December 31; 141 left during the year; there were 47 placed —(Interjection)— 191 was the total; 50 were still on the project.

**MR. DESJARDINS:** I don't need that. I want the placement . . .

**MR. MINAKER:** Yes, okay. There's 141 left; there was 47 placed; 16 were referred to other resources and there were 78 dropouts. I might just point out that approximately 20 percent of the dropouts occur in the first 30 days so it makes it very difficult to cause a change, that normally occurs. In WHIP Program there's 80 . . .

**MR. DESJARDINS:** What's the total?

**MR. MINAKER:** The total for the year's service, 191.

**MR. DESJARDINS:** That's WestBran? What's WHIP?

**MR. MINAKER:** I'm sorry, 222 were served for the year.

**MR. DESJARDINS:** And the placements?

**MR. MINAKER:** And the placements were 51; referred to other sources were 30 and there were 79 dropouts. There were 62 left in the project as of December 31. Central at Portage la Prairie, there was 94 participants, there are 18 on the project as of December 31, 76 left during the year, 31 were placed and 31 were referred to other resources and 14

dropped out. In MANWOP in Dauphin, the participants served were 84, 13 were on the project as of December 31, 71 left during the year, 26 were placed, and 12 were referred to other sources and 33 dropped out. Would you like the complete total?

**MR. DESJARDINS:** No, that's fine. Mr. Chairman, first of all, there was one that was dropped. Is there less of a demand for these activities now because the funds are way down compared to, not last year, but '77-'78? —(Interjection)—Oh, no, '78-'79, and also the total on the project and the job placements are pretty well less on nearly all of them. Now is there a reason for that? Is it just the policy of the government that cut down on the funding? A few years ago there was no question of cutting them because I think they have the staff. Has there been a reason? Are they winding this thing up or what is the reason? Is there less of a demand at this time for these?

**MR. MINAKER:** Mr. Chairman, I believe, if the honourable member recalls, that last year we dropped the Pioneer Work Activity Project that restaurant, the senior citizens housing at Smith, which resulted in a reduction because primarily it was becoming a sheltered workshop rather than a training-type program that's the objective of the work activity projects. Also the other thing is, I believe, last year the number of spaces or the actual number of participant capacity was reduced so it became more meaningful or they could keep a closer counselling and do closer work with the projects. I believe that was the basis, but we have kept and maintained those and we find it a very useful project. Our objective is to continue to operate these type of facilities or services. In the case of Amaranth I believe that they just ran out of, primarily, clients and I believe they are still continuing on in some type of work on their own at the present time. But we had to move into more urban type areas in order to get that flow through of people that require this type of service.

**MR. CHAIRMAN:** The Honourable Member for The Pas.

**MR. McBRYDE:** Mr. Chairperson, I wonder if the Minister could bring me up-to-date in terms of what exactly the MANWOP project at Dauphin consists of now. Does it still serve any remote communities out from Dauphin or has that been cancelled in all those communities where it existed? It was quite an extensive program at one time. I remember the former Member for Swan River used to stand up and criticize it every session. So I'm wondering if there's anything left in terms of the numerous communities like Pelican Rapids, like Crane River, like Duck Bay, that had their MANWOP activities in their own communities.

**MR. MINAKER:** Mr. Chairman, at Dauphin we do draw from the outlying communities those people that do require this type of service. The one problem we run into is if it's located in a small community they do start to become workshop shelter-type employment. We lose the cost-sharing that we now receive from the federal government and we lose the

objective of the program of really teaching the individual life skills and work skills as well as teaching him general budgeting principles, and so forth. It is sort of a program where a portion of the time is spent in the classroom and the other portion is spent on site providing services to the community and physically working while they're learning the work skills. I think those are the two main questions that the honourable member raised.

**MR. CHAIRMAN:** (4)—pass — the Honourable Member for The Pas.

**MR. McBRYDE:** Yes, Mr. Chairperson. I wonder if the Minister could clarify his figures for me that he gave to the Member for St. Boniface. I think he said there were 84 in MANWOP at Dauphin; and there were 13 left on, I guess, in December or January, or whenever he has the figures for and then he has the figure of 71 left. How did they leave? What does that mean?

**MR. MINAKER:** Mr. Chairman, what that means is of the total 84 that were served last year at MANWOP there were still 13 being trained and providing work to the community as of December 31. Then if you take 13 from 84 you have 71 that left and passed through the program and of those 71, 26 were placed in jobs, 12 were referred to other sources and 33 were dropouts. I believe the honourable member asked what type of program the MANWOP was providing in terms of the examples of the type of work they were doing. It primarily was sidewalk repair and construction of special corner lifts for wheelchairs; painting and cement work at the arena and recreational centre; picnic tables with the Kinsmen Club and park upgrading and maintenance. The total value of services last year for the town of Dauphin was estimated at 85,000.00.

**MR. McBRYDE:** Yes, Mr. Chairperson. In terms of the percentage it looks like, in a cursory glance of these figures, that in fact the MANWOP Program had a higher dropout rate than the other programs in compared terms of number. I also wonder if the Minister could tell me in terms of when they list somebody as being placed. Does that mean they got a job right away and is there any follow-up? How long did the placement work? Could it have been a couple of weeks and then that was the end of it or what does placement mean in terms of these figures?

**MR. MINAKER:** Mr. Chairman, the people that are placed are put into ongoing jobs, permanent type jobs, and really that's not too bad a success rate, I don't think, if you can get 84 and you get 26 that are placed in ongoing jobs. The other thing is, those referred to other sources might be further education and so on or further counselling. That doesn't mean they failed and in some cases, could be going on to community college or other areas for further training and you might say, passed that particular program and are encouraged to go on to bigger and better type of responsibilities.

**MR. McBRYDE:** Yes, Mr. Chairman, I would like to follow up on the placed figure because our

experience in dealing with people from the more remote communities is that (1) you often have a fairly high dropout rate if you bring them into an urban centre for training. The second experience is that — and I'll quote the one that's on my mind since we had the committee this morning — was Logger Training that was done at Cranberry Portage with people coming in from remote communities, would be placed and the placement rate there would have been 95 or 97 percent or something. But they were placed with ManFor in the regular forestry division and within a month or two they were either back in the community or back at the training operation asking if they could work for the training operation again because they weren't able to survive in the normal ManFor logging force even though their production figures were good. So, in effect, you could call what was set up, in a sheltered workshop in the form of Mistik Creek Loggers, which basically employed those people on a continuing basis, had good production and it seemed to work all right when there were mostly native people on the job and when the supervisors were experienced in dealing with native people, then the crews worked all right. When you mixed them in with the regular crews then it didn't work very well. That Mistik Creek Loggers, of course, was sold off by this government and is now closed down. But I'm wondering in terms of this placement here whether those placement figures are followed up six months later or a year later to see if in fact they are placement figures or whether they could be in fact permanent job if the person doesn't stay more than a month or so.

**MR. MINAKER:** Mr. Chairman, we try and follow up where the placements are made but we really can't guarantee that they will retain that job. It's up to the individual to some degree or that the job will be permanent.

**MR. McBRYDE:** Mr. Chairman, I wonder if the Minister has a sort of a regional or community breakdown of these 84. How many would be right from the town of Dauphin, how many from Crane River, how many from Pelican Rapids, how many from the various other small communities? Do they keep those kind of records, and within that 84, would any of those be treaty Indians in that figure or would they all be non-treaty or non-native persons?

**MR. MINAKER:** Mr. Chairman, I can attempt to try and get that information for the honourable member but I don't know whether we keep it in that complete detail. We might primarily keep the age of the individual and his address from where he came, but I don't know whether we classify them whether they're native, Metis, or Scotch, or French, or whatever, but I can attempt to get that information.

**MR. CHAIRMAN:** (4)—pass; (d)—pass. Resolution No. 31—pass. Resolved that there be granted to Her Majesty a sum not exceeding 31,311,200 for Community Services and Corrections, Rehabilitative Services 31,311,200.00—pass.

**MR. DESJARDINS:** Mr. Chairman, I move committee rise.

**MR. CHAIRMAN:** Committee rise. Call in the Speaker.

### IN SESSION

**MR. KOVNATS:** Mr. Speaker, the committee has adopted certain resolutions and directs me to report same and asks leave to sit again.

**MR. SPEAKER:** The Honourable Member for Radisson.

**MR. KOVNATS:** Mr. Speaker, I beg to move, seconded by the Honourable Member for The Pas, report of committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Minister of Community Services.

**MR. MINAKER:** Mr. Speaker, I move that the House be adjourned, seconded by the Honourable Minister of Natural Resources.

**MOTION presented and carried,** and the House adjourned and stands adjourned until 10:00 o'clock tomorrow morning. (Friday)