

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 4 May, 1982

Time — 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. D. James Walding (St. Vital):** Presenting Petitions . . . Reading and Receiving Petitions . . .

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MR. SPEAKER:** The Honourable Member for Flin Flon.

**MR. JERRY T. STORIE (Flin Flon):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Honourable Member for River East, that the Report of the Committee be received.

**MOTION presented and carried.**

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**MR. PHIL EYLER (River East):** Mr. Speaker, I beg leave to present the Second Report of the Standing Committee on Law Amendments.

**MR. CLERK, Jack Reeves:** Your Standing Committee on Law Amendments beg leave to present the following as their Second Report:

Your Committee met on Tuesday, May 4th, 1982, and heard representations with respect to the Bills before the Committee as follows:

Bill No. 6

An Act to Abolish Certain Actions Concerning Status of Individuals. Loi abolissant certaines actions relatives aux droits de l'individu, David James, Q.C., Private Citizen.

Bill No. 10

The Reciprocal Enforcement of Maintenance Orders Act. Loi sur la reciprocite d'execution des ordonnances alimentaires, Grant Mitchell, Manitoba Association for Rights and Liberties.

Bill No. 16

An Act to amend The Fatality Inquiries Act, Grant Mitchell, Manitoba Association for Rights and Liberties.

Your Committee has considered:

Bill No. 10

The Reciprocal Enforcement of Maintenance Orders Act. Loi sur la reciprocite d'execution des ordonnances alimentaires.

Bill No. 12

An Act to amend The Family Main-

tenance Act.

Bill No. 17

The Proceeds of Contracts Disbursement Act, 1981.

And has agreed to report the same without amendment.

Your Committee has also considered:

Bill No. 4

An Act to amend The Garage Keepers Act.

Bill No. 6

An Act to Abolish Certain Actions Concerning Status of Individuals. Loi abolissant certaines actions relatives aux droits de l'individu.

Bill No. 16

An Act to amend The Fatality Inquiries Act.

And has agreed to report the same with certain amendments.

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

**MR. EYLER:** Mr. Speaker, I move, seconded by the Member for The Pas, that the Report of the Committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Before we reach Oral Questions, may I direct the attention of honourable members to the gallery where we have 25 students of Grade 6 standing of the Collicutt School under the direction of Mr. Dubois. This school is located in the constituency of the Honourable Member for Kildonan.

There are 25 students of Grade 9 standing from the John Pritchard School under the direction of Miss Visch. This school is in the constituency of the Honourable Member for River East.

On behalf of all of the members, I welcome you here this afternoon.

## ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**HON. STERLING LYON (Charleswood):** Mr. Speaker, I have a question for the Minister of Finance. It now being the 4th of May, could he advise the House when he expects to bring down his Budget?

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

**HON. VIC SCHROEDER (Rossmere):** Yes, Mr.

Speaker. I am hoping to do so shortly after we finish the Finance Estimates which are beginning today. I would hope it will be somewhere between the 11th and 14th of May, assuming that the Estimates are completed.

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

**MR. ALBERT DRIEDGER (Emerson):** Thank you, Mr. Speaker, to the Minister of Natural Resources. Could the Minister confirm that it is now the policy of his department not to hire students for work in parks unless they want to make it their career?

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. AL MACKLING (St. James):** No, Mr. Speaker, that is not the policy. I am given to understand from the department that we have a very large number of students engaged for summer work. It has long been the policy of government to provide opportunity for students, particularly in the parks, to enjoy summer work. I, myself, have been concerned looking at applications, or I shouldn't say applications, recommendations for employment to ensure that those job positions that involve temporary employment that priority be given to students to fill those positions, but there has been a longstanding practice in the department where there are seasonal people employed and, notwithstanding my concerns, it appears that it is in the interests of government to employ seasonal employees of the type that I have described. A lot of those jobs fit very well into the patterns of employment of the people that have been involved in those occupations for many, many years. So my concern that more students be employed than what we are doing has been manifest on a number of occasions with my department, Mr. Speaker.

**MR. DRIEDGER:** To the same Minister, Mr. Speaker, can the Minister then indicate why there is inconsistency in his hiring policy in the St. Malo Park where students have been informed that they do not qualify for the job because they do not want to make it their career?

**MR. MACKLING:** Mr. Speaker, if there is a specific case that the honourable member is referring to, I would be of course happy to have those details so that I can address the problem because certainly that is not the policy.

**MR. DRIEDGER:** To the same Minister then, I would like to indicate to him that he should maybe check what the policy is in the St. Malo area in terms of hiring practices because certain individuals have been informed and I will give that information to the individual as well, but I am concerned that it probably is a province-wide policy that is in place.

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**MR. MACKLING:** No, Mr. Speaker, if there is any pol-

icy in place it is not of this Minister's making and of this government's making. I have indicated my concerns to the department. If there is a specific problem in the area referred to by the honourable member, I want those specifics so that I can deal with it because that is not the policy.

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

**MR. G.W.J. (Gerry) Mercier (St. Norbert):** Mr. Speaker, my question is to the Minister of Labour. I know what he said in the Labour Estimates the end of last week and what he said yesterday, Mr. Speaker, but in view of the opening of the Canada Employment Centre for Students and the indication that the only jobs that are available are part-time term jobs, like unloading box cars; stocking shelves; taking inventory; restaurant, hotel and tourism related jobs; or cutting grass and hedges; painting fences and houses and shingling roofs, is the Minister of Labour prepared to, in view of this development, review immediately the criteria he has established for the Youth Employment Program that he has brought forward in order to ensure that jobs will be available for young people under his program?

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

**MR. SCHROEDER:** Thank you, Mr. Speaker. I can assure the honourable member that, in fact, there will be jobs available under the program that we initiated. We've had more than 1,000 applications now sent out to prospective employers. We have received some 35 applications back and, in fact, of them, 17 had been approved as of early this morning, so we expect that there will be relatively little difficulty in using up the fund that has been made available.

In terms of employment programs for youth, as I have indicated previously, we are keeping an eye on it and if necessary there may be other announcements.

**MR. MERCIER:** Mr. Speaker, a supplementary question to the Minister of Labour. In view of the release today of information with respect to the continuing increase in bankruptcies in Manitoba, Mr. Speaker, which indicate they had doubled in the first three months of this year compared to last and that rate of increase is maintained for the month of April, Mr. Speaker. In view of that development which has to mean, I suggest to the Minister, a tightening economy and less jobs available for young people. In view of the fact that his program will only allow for 1,500 jobs, will he now consider reviewing of those criteria and expanding the criteria similar to the program under our government where 5,000 jobs were available for young people?

**MR. SCHROEDER:** Thank you, Mr. Speaker. As I had told the member yesterday, the Provincial Auditor to some extent disagreed with the member. He said in his report that there was no evidence that any jobs had been created; in fact, the funds paid out were merely subsidies to employers as opposed to funds paid for the creation of employment. That is not the case with this program; we know that this program

will supply jobs. It will supply more jobs than that program ever was proven to have supplied. We can take a look and we will be, and I've indicated to the members previously, we will be taking a look at how this program works and if necessary we will be making adjustments.

The member refers to bankruptcies in Manitoba. I point out that in 1980 and 1981 bankruptcies in this province increased by 134.1 percent over the preceding two years, and that was the highest rate of increase in the country. So the fact that there are bankruptcies occurring in Manitoba now is regrettable just as it was then, but it is not a new phenomenon in the Province of Manitoba.

**MR. MERCIER:** Well, Mr. Speaker, those bankruptcy statistics have doubled in the month of April and it would appear that we will have to await the job statistics that become available and hopefully young people will be looked after.

I have a supplementary question, Mr. Speaker, for the Attorney-General. Will the Honourable Attorney-General, Mr. Speaker, be providing any assistance either morally or financially to the civilian street patrol, the Blue Nights?

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. ROLAND PENNER (Fort Rouge):** No.

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

**MR. HARRY ENNS (Lakeside):** Mr. Speaker, I direct a question to the Minister answering to this Chamber for the Manitoba Telephone System. I ask the Honourable Minister whether or not the announced expenditures for the expansion of the Telidon Program that were recently announced, jointly funded by both Ottawa and the province upwards to the tune of, I believe, \$1 million apiece, whether the Manitoba Telephone System has provided the Minister with any revenue projections accruing to Manitoba Telephone System as a result of the expansion of this program?

**MR. SPEAKER:** The Honourable Minister of Community Services.

**HON. LEONARD S. EVANS (Brandon East):** Mr. Speaker, clarification — the monies paid out from the Province of Manitoba are through the Manitoba Telephone System, not a grant from the government to MTS.

In answer to your specific question, the answer is no, we haven't been provided with a revenue projection.

**MR. ENNS:** Mr. Speaker, it doesn't really matter where the money is going, but there is upwards to \$1 million being spent by Manitobans through their utility. Before the expansion of this program, surely the Minister must have asked for and MTS must have supplied, who is the program being targeted to; who will be the expanded users of the new exotic telephone system? Perhaps the Minister could also answer, has the program that has been carried on in

an experimental basis to various sectors of the farm community, has that yielded any revenues to MTS to date? I believe that program has been in position for the better part of the year.

**MR. EVANS:** Well, some of the questions that the honourable members puts are rather detailed questions which perhaps better be put to the MTS Board when they appear before the Committee of Public Utilities. Of course, that has since gone by and I would be very pleased to obtain some information for the honourable member along these lines but he, I believe, was the Minister responsible when MTS was involved in some of these ventures and has a fair idea as to what was being attempted.

It is new technology; it has some rather promising spin-off for industry in Manitoba. It has some promising benefit to agriculture in Manitoba by means of providing more information through the Grassroots Project and so on.

I imagine the experts at MTS would tell us that some of these types of investments do take a long time and that one has to be patient and cannot easily measure profit return within one year or two years, but that we have to look a far distance down the road and hope that this new technological innovation will indeed be of net benefit to the consumers and citizens of Manitoba.

**MR. ENNS:** I'm quite aware of some of the ambitions, if I can put it that way, of the various members at MTS and the expansion of new and exotic services, but I direct this question to the First Minister, Mr. Speaker.

I wonder, if at a time when Manitobans are concerned about rising costs in virtually every direction that they look, the suggestion that perhaps there are other utilities. Hydro will become unfrozen and increased costs are rising out of there and knowing that the First Minister has not been reluctant to comment on practices that he disagreed with by various Crown corporations from time to time, whether he will not consider asking the Manitoba Telephone System to withdraw its application currently before the Public Utilities Board for a general rate increase when it's obvious that Manitoba Telephone System has a million dollars here to expand a program that is, to my understanding, targeted at only very few large corporations, the likes of perhaps some large warehousing firms or Richardson Securities. What particular help does this do to the average telephone user in Manitoba? As we've heard from the Minister responsible for Telephones, no revenue is coming in from these exotic services as yet to the rate base and I wonder what justification Manitoba Telephone System has to at this time ask for a general rate increase. I would ask the Honourable First Minister whether or not he wouldn't in this instance use his good office to intercede on behalf of the telephone users in Manitoba?

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

**HON. HOWARD R. PAWLEY (Selkirk):** Mr. Speaker, I certainly share the concerns I'm certain that all Manitobans feel pertaining to rising costs, regardless of whether those are costs from government agencies or Crown corporations or, indeed, from the private sec-

tor and it's very much a concern of each and every one.

In the case which we are dealing with, it is a matter that's before the Public Utilities Board. I think we have to see, indeed, if there is rate adjustment. If so, to what extent? We have to keep in mind, too, the arm's length relationship that traditionally has existed between the Public Utilities Board and the government in reviewing any decision that the Public Utilities Board might make in the given instance.

**MR. ENNS:** Mr. Speaker, one final supplementary to the First Minister. I direct it to him perhaps that he could direct it to his Minister of Consumer Affairs, Mr. Speaker, and the question simply is this. Will he specifically ask the Department of Consumer Affairs to monitor most carefully the current application before the Public Utilities Board for a general rate increase? I say this with all deference to MTS for whom I have a great deal of respect, but we are currently dismantling a \$5 million experimental program in the constituency of myself and the Honourable Leader of the Opposition called IDA-Headingley that cost the telephone users some \$5 million. We are seeing expansion by another million dollars of the Telidon Program. To date, the utility has received no return and there has to be some concern about the amount of dollars that a Crown utility is allowed to spend in this way, particularly at a time that they're asking for general rate increase. You and I, the average telephone user, are being asked to fund these experiments.

**MR. SPEAKER:** Order please. I'm sure the honourable member would not like to change the question period into a time for making speeches.

The Honourable First Minister.

**MR. PAWLEY:** Mr. Speaker, in reference, and I am sure the honourable member recognizes this, but it might have been indeed misinterpreted on the basis of his question. I gather it was a program that was started and was planned to end indeed by the previous administration, so it was not decision-making on the part of this administration to dismantle the program in question. Mr. Speaker, I would trust, and the Minister is not here, but I would say this, that I would look to the Minister and to the Department of Consumer Affairs indeed to keep a watchful eye in regard to all price increases, regardless of the source of those price increases within the Manitoba economy, and to do what is humanly possible to contend with those price increases because of the very severity in impact that those price increases have upon average Manitobans.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. A. BRIAN RANSOM (Turtle Mountain):** Mr. Speaker, my question is for the Minister of Natural Resources. During the approximately last two years of the previous government's administration, negotiations had been carried on with various Native groups in the province to try and arrive at an agreement with the province as to recommendations that could be made to change The Fisheries Act to recognize the

Treaty rights that Native people have. I wonder if the Minister could advise the House what success his government has had in concluding those negotiations.

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**MR. MACKLING:** Mr. Speaker, I have not been involved in any formal negotiations because of course the Fisheries Regulation involves the Federal Government. However, I have had an opportunity and have met with on a number of occasions, as recently as late last week, with a broad representation of Native organizations and have undertaken to review with my colleagues in the committee of Cabinet that we have established for that purpose, the Native Affairs Committee of Cabinet, the question of their Treaty rights in respect to fishing privileges. They are also very concerned, of course, about their hunting privileges and in the last several decades there have been cases determined in courts, including the Supreme Court, which in their opinion negative their historic Treaty rights. They are very concerned about those cases and very concerned about the interpretation of their rights.

Now, I have undertaken to discuss those questions with my colleagues and certainly will be discussing them with the Federal Government when that opportunity arises and there will be a meeting in the Maritimes later on this month as a preliminary to discussion on Native rights. I know that my colleague, the Minister for the Environment, is going to be at that meeting and he is part of the committee of Cabinet, the Native Affairs Committee of Cabinet, and we will have a thorough dialogue of those questions before he goes to that meeting.

**MR. RANSOM:** Mr. Speaker, as a supplementary then, are any discussions going on with Indian people at the moment for the purpose of arriving at a recommendation that can be made to the Federal Government to change The Fisheries Act?

**MR. MACKLING:** Mr. Speaker, I am not in a position to indicate the discussions that my colleague, the Minister for the Environment, may have been pursuing with Native organizations. I have reported on the extent of my discussions with those groups and there may have been, and there probably are, further discussions with departmental officials with Native groups, but there has been no formal discussion on my part with the organizations other than as I've indicated.

**MR. RANSOM:** Mr. Speaker, a question to the Minister of Agriculture. The cattle producers of this province have been in substantial difficulties now for some time and the New Democratic Party in Opposition promised immediate aid to the cattle producers. Mr. Speaker, since the government has recognized that there is a problem and has budgeted an amount of funds, I believe some \$14.5 million, to be paid out to cattle producers, will the Minister of Agriculture now agree to simply detach any strings from that \$14.5 million and pay it out to the cattle producers who have been promised this aid and who are badly needing

the aid?

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

**HON. BILL URUSKI (Interlake):** Thank you, Mr. Speaker. To the Member for Turtle Mountain, the member indicated that there was a commitment that we would immediately bring in aid. Mr. Speaker, we said that we would sit down immediately with producers and work out a program. We have made the announcement with respect to a program and also that we have set up regional advisory groups who are now holding meetings with producers. I am to meet with those advisory groups in the very near future to see what recommendations and what suggestions they have received from producers. At that point in time, Mr. Speaker, we will see as to what kind of time frame they see the development of the plan taking and whether or not there should be any changes made.

**MR. RANSOM:** Mr. Speaker, the cattle producers of this province were promised immediate attention last fall during the election. The First Minister said he would not allow it to drag on for weeks and months and indeed when this program was announced, Sir, it was said that money would be paid out this spring. Consultations have been going on, Sir, and the message that is coming back is very clear that the vast majority of Manitoba cattle producers do not want the constraints placed upon them that the Minister's plan is going to require. Since the government has recognized the necessity of assistance and has budgeted \$14.5 million, the farmers are in desperate need of it, Sir, will the government simply cut the strings to that \$14.5 million, pay it out and then consult with the beef producers about what type of long-term stabilization plan they should put in place?

**MR. URUSKI:** Mr. Speaker, the announcement for the program was made; the principles were set. The details of that program are now being discussed and worked upon by the advisory committee that are in the province, Mr. Speaker. When those advisory committees bring back their recommendations to myself and to the government, we will see what kind of time frame and what we intend to do. —(Interjection)—

Mr. Speaker, the Member for Turtle Mountain wishes to make the point very forcibly that there was immediate financial aid. Mr. Speaker, the Honourable Member for Lakeside should know that the statements that were made by myself is that we would sit down with producers and develop a program. Mr. Speaker, the parameters of the program were announced and they have been put forward for producers to work on to develop the program. That is what is being undertaken now and that's what was stated last week by the Premier of this province and I am repeating that statement, Mr. Speaker.

**MR. RANSOM:** A supplementary, Mr. Speaker. The program which the Minister has developed and given to his advisory committees contains three principles, I believe, upon which the advisory committees have no right to make recommendations. One of those is that the \$14.5 million is tied, for example, to central desk

marketing. It is not a question of the details which the advisory committees will come back with, Mr. Speaker.

My question is, will the Minister change that fundamental principle upon which he is trying to build this program which is being rejected by the farmers. Will he simply abandon that principle and go with the kind of program that the farmers would recommend?

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

**MR. URUSKI:** Mr. Speaker, in terms of major changes in policy, the policy statements were announced, the details of the program are there. Is there to be a change in future policy in terms of discussions that will be made, but at this point in time, I should tell the honourable member.

I met briefly, just before the sitting of the House, with a group of producers from the southeast corner of the province who, while they made specific and are prepared to make specific suggestions with respect to the details of the plan and wanted us to examine, they said they wanted to look at the B.C. proposals.

They did make one point to the Honourable Member for Turtle Mountain that they were very much in favour of examining and agreeing upon the single desk selling concept which apparently the Honourable Member for Turtle Mountain indicates that so many people are against. Mr. Speaker, the single desk selling concept is one way of assuring that the pay outs are made on a one-time basis at the time the animals are marketed and that will be the process that will be conducted.

I should tell the honourable member that there are suggestions and proposals being made of the possibility of Pool becoming involved in the marketing of cattle even further than they are now. That suggestion, Mr. Speaker, is certainly being considered and I have encouraged the members of the Manitoba Pool Elevators in the development of their plant in Brandon that we will need that facility there, as well as the possibilities of using their ideas and their support in terms of future marketing in the Winnipeg area.

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

**MR. RUSSELL DOERN (Elmwood):** Mr. Speaker, I would like to direct a question to the Minister responsible for MTS in view of the attack on the Telidon Agreement announced today by the Member for Lakeside.

Is Telidon within the reach of farmers, businessmen or individuals; what are the rental rates per month, ect.?

**MR. SPEAKER:** The Honourable Minister of Community Services.

**MR. EVANS:** Yes, well there is a schedule of rental rates that people do pay for, to farmers that wish to use it through Grassroots, which is a private company associated with the Telidon experiment or Telidon developments.

The information we have is that charges range from \$47.50 per month if you rent it on a yearly basis, if you

take out a lease for a year. If it's a six-month basis, I think it may be \$50; if it's a smaller period of time such as a two-month contract, it may be \$75, but these are details that we can get. But the point I would like to make is there is a rental fee that is set by MTS, hopefully reasonable, within reach of those who can use it or who choose to use it, farmers, business people and the like.

**MR. DOERN:** Mr. Speaker, I would also like to ask the Minister whether there will be any new jobs or industrial spin-offs flowing from the new agreement that was announced today between MTS and the Federal Government.

**MR. EVANS:** Well, it is difficult for me to quantify an increase in jobs from this particular agreement, but the Federal Government has a program which the MTS participated in on a 50-50 basis as was announced yesterday for a total investment of \$1.8 million. Surely, it is going to make Telidon more significant and more meaningful. If we are going to go forward in terms of informational technology and if we are going to go forward in industrialization of this province and, indeed, helping the farm community to improve its cost efficiency living in this very competitive world that we are living, that it's incumbent upon a utility such as MTS to march forward with the new technology. So I think that MTS is to be credited for being innovated and prepared to sort of blaze the trail, as you might say, in information technology.

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

**MR. ENNS:** Mr. Speaker, a further question to the same Minister, to the Minister responsible for MTS. Can he indicate how many private farmers or business firms are currently subscribers to the Telidon system?

**MR. EVANS:** Well, Mr. Speaker, I would have to get that information. I don't have an up-to-date estimate of that.

**MR. ENNS:** Perhaps he could ask the Vice-Chairman of MTS who has been asking the questions of the Minister that question. My final question is: can the Minister confirm that no Manitobans are involved in the manufacturing of any of the software or hardware involved in the Telidon System, that in fact, any job creation that may be created as a result of this million dollar expenditure part of MTS will be done down east?

**MR. EVANS:** Well, Mr. Speaker, the point I'm making is that there are net benefits to the provincial economy but in an indirect way; they are in an indirect way. That question was well answered by the First Minister. The Public Utilities Board of Manitoba will be examining the proposals of MTS and I would submit, Mr. Speaker, that this particular expansion as announced yesterday has little, if any, bearing on any proposed rate increase by MTS.

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

**MR. DRIEDGER:** Mr. Speaker, to the Minister of Agriculture. Can the Minister advise this House of any recent discussions he has had with his counterpart, the Federal Minister of Agriculture, regarding a National Beef Stabilization Program?

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

**MR. URUSKI:** Yes, Mr. Speaker. In fact, I've telexed the Minister of Agriculture in Ottawa, as a matter of fact this morning, asking them for an additional early meeting to deal with certain statements that have appeared in the paper dealing with reportedly national stabilization plans and monies involved. We have asked for an early meeting of all Ministers to find out what his position is and what are the Federal intentions on that.

**MR. DRIEDGER:** To the same Minister, Mr. Speaker. Does he have any knowledge or information as to what kind of a program the Federal Minister is proposing?

**MR. URUSKI:** Mr. Speaker, I've heard the same speeches as the Honourable Member for Emerson emanating from the Minister of Agriculture and I would think that from my knowledge at this point in time, his guess might be close to what mine might be, but there are no details that we have in terms of what the proposals might be.

**MR. DRIEDGER:** Mr. Speaker, to the same Minister. In view of the fact that the Federal Minister indicated that he probably would have a program announcement by the end of December, 1982, is this Minister then prepared to take and suspend his program that is undesirable to the beef producers of Manitoba and give them their \$50 and wait until the federal program comes down?

**MR. URUSKI:** Mr. Speaker, our program that is being developed by the producers themselves is a voluntary program. The program is voluntary and will be open to all producers in the province.

The honourable member might wish to forget the Beef Income Assurance Program which they emasculated, which they encouraged and practically begged farmers to get out of that program, Mr. Speaker, when in fact there would have been payouts and assistance to producers for the last four out of seven years which did assist the beef industry to a great extent. But, Mr. Speaker, the details and suggestions from the advisory group, they are holding some meetings, some meetings they've attended and they will be coming forward with some recommendations to us, I hope, in a very short order.

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

**MR. DRIEDGER:** Mr. Speaker, to the same Minister then, could the Minister then indicate — he made reference to the previous program — how many producers are still in that program and how much money was paid out in the year, from 1981 and the current

year of 1982?

**MR. URUSKI:** Mr. Speaker, I know that the support price, I believe, for calves in that program for '81 was somewhere around the 97-cent mark and the support price for slaughter beef was 77, somewhere around that area. That was the support price set under that program. I don't believe the support price has been announced for whoever is in the '82 program. I would have to get the actual dollar amounts that were paid, but in terms of the producers who are remaining in the program, there is I believe, I take that from memory, approximately 100-plus producers remaining in the program.

**MR. DRIEDGER:** A final supplementary, could the Minister specifically indicate how much money was paid out in '81 under that program?

**MR. URUSKI:** Mr. Speaker, I will take that specific question under advisement. I don't have those figures, but I should tell the honourable member that until the spring of '80, when the terms were changed, where the government indicated that if producers were to get out of the program immediately they would not have to pay back the funds owing. Obviously, that's when producers said, well, thank goodness, that they're forgetting about what is owing and over 4,000 producers got out at that point in time.

**MR. SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. J. WALLY MCKENZIE (Roblin-Russell):** Mr. Speaker, I have a question to the Honourable Minister of Health. I wonder, can the Honourable Minister advise the House if his staff have finally isolated any possible source of the serious environmental problems which continue to plague Grandview School as I stand here this afternoon?

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

**HON. LAURENT DESJARDINS (St. Boniface):** The official of the Intermountain School District has listed several points and given this to our officials. The school buildings have been thoroughly tested; the repairs to the source of the Freon leak will be done and the combustion chamber will be thoroughly cleaned. Continuous monitoring of the school environment will continue and further improvements to the school heating and ventilation systems will be done this summer. When the school is reopened, the furnace will not be in operation. For psychological reasons they wish a public nurse to be in constant duty for the next two or three weeks and this will be done. I believe that the school environment will be as good as possible when it reopens. I'm certainly lead to believe that this will be the case.

Now, a further question was asked by the same member yesterday. I think the concern was to the qualifications and the training of Environmental and Labour Technologists sampling and monitoring air in the Grandview school and carrying out the inspections of furnace and air exchange system. Those staff of Environmental Services, the Department of Labour

and Manpower, and the Department of Health involved in air sampling, equipment testing and analysis of results are considered adequately trained. Further, they are supported by other specialists in the three departments. Those involved included physicians, Dr. B. Carlton, the Grandview physician; Dr. Erick Sigurdson, the Dauphin physician and part-time Medical Officer of Health; Dr. French, who is the Chief Medical Officer of Health for the department; and Dr. J.C. Wilt, Director of Cadman Provincial Laboratories. In technologists, there's Mr. Fred Riddle in the Environmental Services, Air Sampling Technologist, Diploma in Biochemistry and Bachelor of Science Degree, Major in Chemistry; Mr. Bernie Crisp, Regional Supervisor Environmental Inspection Services, Parkland Region, Certificate in Public Health Inspection; Workplace Safety and Health, there's a Chemist, Mr. John Elias; Department of Labour, two boiler inspectors; blood analysis was carried out by the Westman Laboratory Services in Brandon and this is the report that I've had.

I'm quite concerned, we seem to have a different reason practically every day and I hope this is the last one.

**MR. MCKENZIE:** Thank you, Mr. Speaker, another question to the same Minister. I wonder, can the Minister advise the House and the Board of Trustees of Intermountain School Division when it's safe to reopen that school, or is that responsibility on the shoulders of Intermountain School Division? Who makes the decision when it's safe to open the school?

**MR. DESJARDINS:** Mr. Speaker, I would think that the decision will be up to the school division, but certainly they have to have something to go on and I think we owe it as the Department of Health to give them the assurance. I think that they should, they have a right to expect us to do that and we certainly will do that, tell him when in our estimation after we've co-ordinated the efforts of the different departments if we feel it is safe to open this school.

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

**MR. HARRY GRAHAM (Virden):** Thank you, Mr. Speaker. I have a question for the Honourable Minister of Agriculture. I'd like to ask the Honourable Minister if he has made any representations to the Federal Minister of Agriculture protesting the proposed move of the Federal Government to charge the farmers an additional fee for grading.

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

**MR. URUSKI:** Mr. Speaker, several weeks ago that question was posed to me and I've had discussions with producers in the province. We did raise this matter and, in fact, the Federal Minister of Agriculture indicated that he would hold the proposed changes to some of the future changes for further discussion with the Ministers of Agriculture across this country. We have made representations and raised concerns with respect to the costs that were being imposed unilaterally.

**MR. GRAHAM:** Thank you, Mr. Speaker, a supplementary to the same Minister. Should the Federal Government continue, as all indications seem to indicate, to proceed in that manner, would the Minister of Agriculture of Manitoba consider bearing some of that inspection cost at the provincial level rather than adding another tax on top of the already hard-pressed cattlemen of Manitoba?

**MR. URUSKI:** Mr. Speaker, in terms of those inspections that the member speaks of, it is not only that segment of the industry that is affected, there are other segments of the agricultural industry that are affected by this. Mr. Speaker, regardless of where the funds come from, as the member should be well aware, that it will be picked up by the consumer or by the producer, whomever the service is provided for. Either the costs will be picked up in the retail price of the product or they'll be picked up at source from the producers. The Province of Manitoba is attempting to assist producers in stabilizing their incomes which, in fact, take into account some of the costs that are borne by producers, whether or not costs that are specifically related to inspections and the like, it would not be our intention to be able to shoulder those kinds of additional costs.

**MR. SPEAKER:** Order please. The time for question period has expired.

### ORDERS OF THE DAY

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

**HON. ROLAND PENNER (Fort Rouge):** Yes, Mr. Speaker, I move, seconded by the Honourable Minister of Finance, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Flin Flon in the Chair for the Department of Finance, and the Honourable Member for The Pas in the Chair for the Department of Government Services.

### CONCURRENT COMMITTEES OF SUPPLY

#### SUPPLY — GOVERNMENT SERVICES

**MR. CHAIRMAN, Harry M. Harapiak (The Pas):** We are doing the Estimates for Government Services on page 63. The first item is General Administration 1.(b) — Mr. Minister.

**HON. SAMUEL USKIW (Lac Du Bonnet):** Mr. Chairman, I would like to make one or two opening comments. The total departmental Estimates are up something like \$15 million as is evident on the opening page. Within that, we have no major new thrusts. I think that what we probably are emphasizing, in fact, have been emphasizing as I understand for some period of time and are continuing to do that, is the

in-house improvement of our operations in the area of trying to cut down costs, especially in the area of energy consumption, trying to streamline the operations as between agencies and essentially trying to make the system work at a more efficient level.

The Construction component is somewhat larger than last year, but not a great deal. We are going to be involved in some \$24 million worth of new construction, as opposed to \$20 million a year ago, so it's not a terribly dramatic area of activity or increase, but nonetheless an increase that I suppose at least reflects the inflation situation that we have with us.

In the area of energy consumption, one of the achievements to date, I think that is outstanding in the system, is the fact that we have been able to reduce consumption, not in dollar terms, but in actual unit terms by around 20 to 25 percent which in essence has reduced our required expenditures by about \$1.3 million for the coming fiscal year, just on that program alone.

Also, in the area of the car fleet, we are now somewhere in the order of 40 percent of our car fleet being in the compact category and there are substantial savings involved as well, somewhere in the order of about \$5 million. So, the emphasis has been on trying to fine tune, if you like, and streamline the operations of Government Services, which indeed is a department that services essentially the other departments in the government and agencies.

Aside from that effort, of course, there have been small policy changes and that has to do with the decision that has been announced some time ago with respect to converting some of our contract services into in-house services. I am talking about security where we have converted some of our contract services to 46 in-house staff man year positions in the security field. There are many reasons for that, but I can just cite a few. One of the reasons of course is the fact that our standards of service are higher within the system than they are when they are contracted out of the system. So there is a greater degree of consistency when we move more towards the in-house and in particular where we have enough volume of activity, in other words, the larger government buildings such as Red River College or buildings of that nature. We feel that they lend themselves better for the kind of service that we want, the quality of security that we're looking for; they lend themselves better to in-house operations.

Also, in the area of janitorial, there will be some changes there although we have not yet reached the point where we can quantify the numbers of people involved but there will be some change there, not a dramatic one, with respect to conversion to in-house as opposed to contract. There, too, it will be selective with respect to having to do with the size of the operation or the buildings involved and so on, but will not represent a very substantial part of the total operation. So those are the only two areas in program change that will show some small increase in costs. All of the other emphasis is on decreasing the costs of the department in the areas of energy and in the area of car purchases and so on. So there have been some savings and some added costs and I suppose that, on balance, it is probably going to be a bit of a draw between the decision to become more efficient in



some areas and the decision to move into in-house staffing positions on the other side of the ledger.

The other thing on that latter point is that, in part, that decision does reflect the concerns that have been expressed to us over many years about the government indiscriminately contracting out. We believe that there is validity to that criticism, criticism that has been put forward by the Trade Union movement in particular, and to the extent that we could modify that; I think it's a reasonable position to adopt. Now, that doesn't mean that there is not a practical approach to it and where you have smaller operations, it may not be all that practical to move into in-house staffing. So, we have allowed ourselves quite a degree discretion in that area and the process, of course, has just begun. We really haven't had an opportunity to review all of the components, but in essence that is the process that will be carried forward into the balance of this fiscal year. Hopefully, by the end of this fiscal year, we will have decided where we want to round out that particular policy change in terms of facilities and numbers of people, but by and large, it should not be a significant change.

So, Mr. Chairman, with those few comments, I suggest that we move on to the first item on the department.

**MR. CHAIRMAN:** The Member for Virden.

**MR. GRAHAM:** Mr. Chairman, I believe that in the overall picture, everyone expects that costs will rise in dollar value as we see our dollar shrinking in value with inflation, apparently running unchecked or relatively unchecked, we can expect those total dollar costs to increase. That doesn't mean to say that while we are spending another \$15 million, we are going to be doing any more work or providing any more service. It is one of the built-in problems of inflation and as long as governments of any hue, whether they be federal, provincial or municipal, continue to provide service regardless of cost, then we are going to have to pay the bill. So, we have to expect that the overall budget for Government Services will go relatively slightly higher than the average proportion of other departments, mainly because Government Services by itself is not a department. It is nothing more than a service industry for the other departments of government and we know that other departments of government have a tendency to be empirical in nature and they always want a little more than what is really required.

So, the job of the Minister of Government Services is not an envious one at all. He has to answer to the Minister of Finance and he wants to keep a control and have those necessary checks and balances in place to try and control the natural progression of other departments. As we go through the Estimates, we can expect that the next three or four years will see Government Services, if I interpret this present government correctly, will be making much larger demands on Government Services in the next three or four years. It is my hope that the Minister will do everything he can to curtail some of those expenditures.

However, I think we will get into probably some debate later on in this department when we get down

to the announced plan of the Minister to change from contract to in-house. I think the Minister put his finger on it quite correctly when he mentioned in his opening statements that the Trade Union movement would be very happy with this announcement. That, naturally, will spark some debate because we find then that the government really is not running it; in fact, it is the trade unions that are running it and that is evident by this move by the Minister.

I would have to caution him not to proceed in that direction, not because the trade unions have requested it — I think the trade unions have nothing at all to do with it — but I want to point out to the Minister that in any dealings in provision of services, if you have a contract, at the end of that contract if you are unsatisfied you do not have to renew that contract. You can retender and you can have another person supply the service and in that way the competitive nature of business will ensure that you will get the finest service available.

On the other hand, when you are operating an in-house operation and you have security of tenure, and I'm not saying this in a derogatory sense to any individuals in Government Services, but once a person has security of tenure, the same desire to succeed seems to disappear. You will have more problems, not less.

The Minister in his remarks indicated, if there was some dissatisfaction with the services being provided before, both in security staff and in janitorial, I suggest to him that his problems will be compounded rather than diminished in that field. I think there will be debate when we get to those various items as we go through the Estimates. That's about all I would care to add at this time.

**MR. USKIW:** Mr. Chairman, I believe the member is right. We should probably address that when we come to the item in the Estimates Book. I will want to respond more fully at that state, but I accept the point that he is making for the moment.

**MR. CHAIRMAN:** We are on 1.(b)(1) Salaries—pass; 1.(b)(2) Other Expenditures—pass; 1.(c) Administration: Salaries—pass; 1.(c)(2) Other Expenditures—pass; 1.(d) Operational Support Services: Salaries—pass; 1.(d)(2) Other Expenditures — the Member for Virden.

**MR. GRAHAM:** Mr. Minister, there seems to be a fairly hefty increase in Other Expenditures here.

**MR. USKIW:** Yes, Mr. Chairman. That has to do with a Systems Development Program. Major expenditures are for the integrated property management system. We are involved in systems development programming in the Supply and Services and also in the Word Processing activities. That is an ongoing process, Mr. Chairman, but there is a desire to expand in order to bring about some of the efficiencies that I have alluded to in my opening remarks.

**MR. GRAHAM:** Mr. Chairman, the Minister mentioned the Word Processing facilities. I sincerely hope that none of the costs of the Word Processing are involved in this additional expenditure here.

**MR. USKIW:** Well, Mr. Chairman, it's only for our internal department operations that I'm alluding to Word Processing. It has nothing to do with the other operations of the Word Processing system. It's only the Department of Government Services in-house component.

**MR. GRAHAM:** What would that be? I notice it's not in the field of Salaries. Would that be in new equipment?

**MR. USKIW:** No, it has to do in the area of Systems Development which involves some software and so one, it's materials.

**MR. GRAHAM:** That's fine.

**MR. CHAIRMAN:** 1.(d)(2) Other Expenditures—pass; 1.(e) Emergency Measures Organization; 1.(e)(1) Salaries—pass — the Member for Virden.

**MR. GRAHAM:** Mr. Chairman, the operations of EMO have been criticized I think over the last number of years and I know there has been quite a bit of criticism with respect to the activities of EMO when it comes to a matter of a disaster of some form or another taking place.

Could the Minister give us some rundown on what has occurred in the past year and the restructuring on EMO?

**MR. USKIW:** Well, Mr. Chairman, EMO in this department is merely a co-ordinating agency. In the last year, or maybe more than a year, there was an attempt at involving the municipal level in the co-ordinating process.

We had hired, some time ago, three people to establish such a co-ordinating effort and to date, I believe, we have how many municipalities organized with EMO. There are a total of 185 municipalities and 17 local government districts for a total 202, and emergency plans have been completed, with respect to 17 municipal governments and 17 northern communities. We're planning another 14 municipalities and 16 northern communities for the current fiscal year. That's with respect to the three staff man years that were added to fulfill that role.

**MR. GRAHAM:** We have an additional three staff man years?

**MR. USKIW:** No not proposed; they were brought in the last fiscal year, but just got operational so to speak.

**MR. GRAHAM:** Well, Mr. Chairman, is the EMO Office operated on an 8-hour basis, a 16-hour basis or a 24-hour basis?

**MR. USKIW:** As I understand it, Mr. Chairman, the mechanism provides for around the clock system. The agency itself operates on an eight-hour basis, after which there is a telephone number system that is in place for the other 16 hours. Just another point, all of our key people are equipped with pagers and devices which would bring them into ready contact with the emergency at hand.

**MR. GRAHAM:** Do they have a rotation system of duty?

**MR. USKIW:** Yes, there are duty personnel on call at all times.

**MR. GRAHAM:** What is the rotation? Is it one day a week or one every three days?

**MR. USKIW:** One week per person at one time.

**MR. GRAHAM:** And how many people are involved?

**MR. USKIW:** A total of six people, Mr. Chairman.

**MR. GRAHAM:** So every six weeks, one member has to be within range of a pager at all times?

**MR. USKIW:** Yes, is a duty person or each of those six serves one week out of the six as a duty person.

**MR. GRAHAM:** Does that person have a backup?

**MR. USKIW:** Yes, they are all involved in the sense that it's a backup of the other five. Whoever is the duty person has the other five as backups.

**MR. GRAHAM:** Let's just be hypothetical. If there was an emergency at 10 o'clock tonight and the person who was supposed to be on duty was outside the range of his pager, where would the next call go at that time?

**MR. USKIW:** The Telephone Answering Service has the next one on line.

**MR. GRAHAM:** Then the Answering Service will have the next number to call?

**MR. USKIW:** Yes.

**MR. GRAHAM:** Will it have just one number or several numbers?

**MR. USKIW:** It has one number for each of the alternate persons so that it has a choice of the other five numbers, so to speak. The people involved are equipped with mobile radios as well in their cars. It's not just reliance on the telephone system, Mr. Chairman.

**MR. GRAHAM:** Mr. Chairman, I believe there was an emergency in Brandon last weekend. In that particular case, was EMO notified?

**MR. USKIW:** We are not aware of it, Mr. Chairman. The assumption is that they would have been. We have someone based there, Mr. Chairman, in Brandon.

**MR. GRAHAM:** Mr. Chairman, I believe that up to now there has been some questions in the minds of, not only members of the Legislature, but I think the public in general as to the effectiveness of our EMO operation. It may be that we have one of the finest operations in the world, but if it's not contacted, it can't spring into work on its own. It may be that

through lack of communication people are not aware of who to call and when we get down to the Other Expenditures in it, perhaps the Minister can tell us how much we have planned for a public information program to apprise people of the availability of EMO?

**MR. USKIW:** Mr. Chairman, the way it's set up, the public deals directly with the municipal level, which then deals with EMO. It is not precluded that the public can deal directly with EMO, but the way it is structured it is through the municipal system.

**MR. GRAHAM:** Mr. Chairman, when the Minister says the municipal system, does that include the municipal fire departments, municipal police forces?

**MR. USKIW:** Yes, EMO, when they do interface with the municipal people, they do meet with all of the agencies in the municipality, whether they are law enforcement or fire protection or whatever capacity the municipality has. It is a general meeting having to do with all of those interest groups.

**MR. GRAHAM:** In that general forum, who is playing the lead role?

**MR. USKIW:** The departmental person is merely there as a liaison person with the central system and in the capacity of an advisory person to the local people, so it's not a question of who is leading who in this process. It is a matter of having to have regular liaison and communication in order to fully understand what is in the program.

**MR. GRAHAM:** Their attempt then is to try and minimize the confusion, is it?

**MR. USKIW:** I think there are two things involved. One is to have as direct a line of communication as is possible and practical, and the other is not to overly staff the system, hoping to use the existing resources of all levels of government in a way that is cost-efficient while at the same time being satisfied that it is relatively foolproof. I don't know if there ever is a system that is completely foolproof, Mr. Chairman.

**MR. GRAHAM:** Mr. Chairman, I know in the past in the area of flood, the EMO operation has been one that has stood out as being very, very prominent and high-profile and I think they have done an excellent job in the co-ordinating role. However, in other matters, when it comes to environmental spills and things of that nature, the EMO operation somehow seems to add to the confusion rather than minimize the confusion. I was just wondering if there is a different role for EMO to play in environmental matters, rather than say natural disasters.

**MR. USKIW:** Mr. Chairman, in the case of a spill, as an example, the Environmental Control Agency is the lead agency in dealing with the spill, if you like. EMO is then a co-ordinating agency that brings together all of the necessary people and equipment, if you like, that is identified as being needed on the scene. They are not the people that make decisions with respect to the nature of the hazard or the environment or wha-

tever. They are merely an administrative mechanism to bring into play the forces that are necessary and that should be called upon to deal with a crisis.

The same applies in flood situations. The lead agency is the Flood Protection Branch of the Department of Natural Resources. If they decide that they have an emergency, they then call on EMO to help them with the logistical aspect of dealing with that problem.

**MR. GRAHAM:** Those are all the questions I had, Mr. Chairman.

**MR. CHAIRMAN:** 1.(e)(1) Salaries—pass; 1.(e)(2) Other Expenditures — the Member for Virden.

**MR. GRAHAM:** Before we pass that, the figure of 55,000 recoverable from Canada, that is purely an estimate, is it, or has this been a fairly consistent amount that in past has been recoverable from the Government of Canada?

**MR. USKIW:** Mr. Chairman, it used to be \$100,000.00. That was always the figure recoverable from the Government of Canada, which has been now estimated on the basis of a project-oriented situation rather than a guaranteed sum, if you like, which is estimated to be required at 55,000. So, it's the estimate of a project-oriented component.

**MR. GRAHAM:** This may be one of the very small areas where the Federal Government is attempting their cutback.

**MR. USKIW:** It is a different situation, yes, in that sense. It is a reduction.

**MR. CHAIRMAN:** 1.(e)(2) Other Expenditures—pass; 1.(f) Personnel and Payroll: 1.(f)(1) Salaries — the Member for Virden.

**MR. GRAHAM:** Have we any additional staff in this particular section?

**MR. USKIW:** Yes, there are two, Mr. Chairman. There is a clerk, I believe, and there is going to be and we haven't yet moved on this one, there's also going to be one special employment officer employed in this department.

**MR. GRAHAM:** Will there be any high school and university students employed during the summer months in this particular field?

**MR. USKIW:** Mr. Chairman, this is the administration part of the department, so it wouldn't be in this particular area.

**MR. GRAHAM:** It will be further down?

**MR. USKIW:** I am advised that there will be STEP students in the department, but not in the main administration end.

**MR. CHAIRMAN:** 1.(f)(1) Salaries—pass; 1.(f)(2) Other Expenditures—pass; 1.(g) Word Processing

Branch: 1.(g)(1) Salaries — the Member for Virden.

**MR. GRAHAM:** Could the Minister give us an update on the activities of the Word Processing Branch?

**MR. USKIW:** Mr. Chairman, it's not a branch; it is really a Word Processing Centre. We operate the Word Processing Centre in the building on part of the time. I believe we occupy the centre for eight hours out of 24, the balance of the time is used by Hansard.

**MR. GRAHAM:** There are no other departments that actually use the equipment, is there? You do all the work for the various departments?

**MR. USKIW:** We are the agency that handles work for other departments within this building, Mr. Chairman, yes.

**MR. GRAHAM:** How many terminals have we now in this building?

**MR. USKIW:** We have six work stations, plus one extra rental work station and one backup work station. That's in the Centre itself. Then the Legislative Council has two, the Executive Council has one, the Energy and Mines Minister and Deputy Minister has one; that's it.

**MR. GRAHAM:** The Department of Finance uses their own, do they?

**MR. USKIW:** Yes, they have four stand-alone Micom units, two permanent and two on a rental basis and they have two in Federal-Provincial Relations.

**MR. GRAHAM:** Is that tied into the Word Processing Centre, or is it separate?

**MR. USKIW:** The ones in Finance stand alone.

**MR. GRAHAM:** In the Word Processing Centre, I believe it was raised in the House not too long ago the question of Workplace Safety and Health, has there been much concern about the Workplace Safety and Health within the Centre itself?

**MR. USKIW:** Mr. Chairman, that item is being addressed by the Consulting Services Branch which was on the other page of the Estimates Book. Yes, it's the next line; that's right, it's the next item. If the member wants to get into that item, that's fine.

**MR. GRAHAM:** Well, I thought we were just discussing the Word Processing Centre in general, and . . .

**MR. USKIW:** Well, that aspect though, Mr. Chairman, if I have the floor, is dealt with by the Word Processing Consulting Services part of our department.

**MR. GRAHAM:** Well then, perhaps we should pass (1) and (2).

**MR. CHAIRMAN:** 1.(g)(1)—pass; 1.(g)(2) Other Expenditures—pass.  
1.(g)(3) — the Member for Virden.

**MR. GRAHAM:** Mr. Chairman, it looks as though we are going to be recovering considerably less from other departments than in the past. Could the Minister give us an explanation for that?

**MR. USKIW:** Mr. Chairman, yes. The present policy, and that's a change in the accounting system, is that the bulk of the recoveries go directly to the Minister of Finance through Consolidated Revenues as opposed to back into this department.

**MR. GRAHAM:** I believe the Minister has some further explanation.

**MR. USKIW:** Mr. Chairman, yes, one clarification. I think I was alluding to another item. We're recovering everything with the exception of the supervisor's salary and the maintenance contractor.

**MR. GRAHAM:** Have there been any new departments come into the Word Processing this year?

**MR. USKIW:** Not to date, but we do anticipate some, Mr. Chairman.

**MR. GRAHAM:** Could the Minister identify?

**MR. USKIW:** Yes. The add-ons to the existing Wang Central Processor will be one in the Provincial Audit Office, the Minister of Agriculture, one work station; Information Services, one work station; and Legislative Council, one additional work station; That's one, two, three, four.

**MR. GRAHAM:** No, that's all on that.

**MR. CHAIRMAN:** 1.(g)(3)—pass;  
1.(h) Word Processing Consulting Services Branch, (h)(1) Salaries — the Member for Virden.

**MR. GRAHAM:** Mr. Chairman, this is a new splitting-down in the Word Processing System. Perhaps we can get an explanation from the Minister here.

**MR. USKIW:** Mr. Chairman, several months ago the previous administration decided it was desirable to consolidate the whole question of Word Processing Systems into this department and therefore this department then provides a Consulting Services to the whole government system on the trainee requirements, equipment requirements and everything that relates to Word Processing Systems so that we don't have duplication of effort by a number of departments and, indeed, inefficiency through that process. It has become sort of the main depot, if you like, of the Word Processing System for the government.

**MR. GRAHAM:** How many people are employed in that particular project?

**MR. USKIW:** Four, Mr. Chairman.

**MR. GRAHAM:** These people are purely for consultation in that respect?

**MR. USKIW:** We provide for assistance in feasibility

studies, health and safety and training.

**MR. GRAHAM:** Well, the directive that was referred to in the Legislature the other day in question period then would probably have come from one of these consultants, would it?

**MR. USKIW:** Mr. Chairman, I'm not familiar with the issue. Perhaps I was not there at the time. Perhaps the member would want to elaborate.

**MR. GRAHAM:** Mr. Chairman, I haven't got the Hansard in front of me for that particular day but I do believe there was a directive issued to those that were operating the various stations that if they squinted and closed their eyes, then rubbed their forehead and then squinted again that the troubles may go away. I don't think it was really a directive that was appreciated by very many people and it might have been a unofficial directive.

**MR. USKIW:** Mr. Chairman, we have no knowledge of it. It certainly wasn't a contribution from this department as I understand it.

**MR. GRAHAM:** No, that's all I had on this.

**MR. CHAIRMAN:** 1.(h)(1) Salaries—pass; 1.(h)(2) Other Expenditures—pass.

This brings us to the next department, No. 2. Field Services, 2.(a)(1) Salaries—pass; 2.(a)(2) Other Expenditures—pass; 2.(b) Physical Plant, 2.(b)(1) Salaries—pass.

The Member for Virden.

**MR. GRAHAM:** Perhaps when we get into this where there is a sizable item here and perhaps the Minister would like to give us a further breakdown before we proceed.

**MR. USKIW:** In this area, Mr. Chairman, we're looking at two additional SMYs, 477 altogether, and if and when we decide to move ahead with some janitorial in-house staffing positions, it will have to be in this area. We have provided some dollars for that eventually, Mr. Chairman. We have not quantified if at this point in time.

**MR. CHAIRMAN:** The Member for Elmwood.

**MR. GRAHAM:** No, you go ahead.

**MR. RUSSELL DOERN (Elmwood):** Well I had two questions I wanted to ask the Minister on Physical Plant.

The first one involves the long overdue need to do something about the physical environment or the air conditioning of this building and I've been talking to other Ministers about this question for the past 16 years.

It seems to me that it is long overdue that this building be provided with the proper environment and the several hundred employees who work here. You have a building which must be worth \$100 million on today's market in terms of construction or value; it's possible to air condition the building by using the

heating ducts, you don't have to run special ducting throughout the building. There is a central power plant. The Minister himself must recognize the need for air conditioning, because I remember being in his office one time five or six years ago, it must have been 90-odd degrees outside in the hot prairie sun and his own secretaries must have been working in an area that must have been about 110 degrees Fahrenheit. I can't recall ever seeing an office that was hotter and the secretaries were practically slumped over their typewriters, and surely there cannot be much efficiency in this building in the summertime when the sun is shining and this must go on for many months.

So I simply ask the Minister, in view of the fact that many, many, many people in Manitoba have air conditioned homes, work in air conditioned offices, drive air conditioned cars, why do they have to come to this building and suffer through the summer, because this is one of the only office buildings in the City of Winnipeg or in any other modern city in North America that doesn't have air conditioning?

**MR. USKIW:** Mr. Chairman, the member raises a point that I know has been discussed many, many times before. It was an annual event, as I recall it, for many, many years in the Seventies and I suppose it probably was during the term of the previous administration. The answers have always been the same, that desirable but perhaps not the top priority sort of thing.

I would like to indicate though, that with the building of the new Law Courts, that there is a requirement to expand our house facilities, without which we really can't get into progressive air conditioning for this particular building. There is a need for a larger powerhouse capacity, in order to give us the chilling capacity that would be required.

So we're looking at stage one as the Law Courts Building, along with the expansion of the powerhouse, after which it will be feasible to buy stages and add parts of this building into that system, but that's probably two or three years down the road.

**MR. DOERN:** Well, Mr. Chairman, where there's a will, there's a way and I just asked the Minister whether he himself would seriously consider, given that physical possibility, whether he himself would favour such a move even if it's in stages; even if the building wasn't done all at one shot; even if it was done by floor or by phasing. Is the Minister himself generally agreeable to such a proposal?

**MR. USKIW:** Well, Mr. Chairman, I really haven't dwelt on it quite frankly. I know that during the summer months that the building can be, or at least certain sections of this building can be quite unbearable for both the staff and the government or indeed the MLAs or whoever. Just how high a priority to attach to that, of course, is quite another question.

In proceeding in the way that we are now proceeding, we know that we will have the capacity to add this building to the system, but in a way which will be cost efficient, rather than going ahead with this building first and then proceeding with the Law Courts Building second. I believe the reverse procedure gives us some efficiency. I don't know how much, but I believe there is some efficiency.

It's a matter that hasn't been discussed, Mr. Chairman, by myself with my staff quite frankly, other than in a very casual way, and certainly not at the government level, so to project what will happen in the next year or two, I believe I'm not in a position to do that other than that in about two or three years we will have the capacity in the power station to provide for air conditioning in this building.

**MR. DOERN:** Well, I would just ask the Minister on that last point, is he saying then that with the installation of new air conditioners in the central powerhouse, that there will be the physical capacity there to also air condition this building, or does he mean that there'll have to be additional equipment installed to air condition the building?

**MR. USKIW:** When that process is completed the chiller capacity will be large enough to handle this building as well, so one could progressively add sections of this building over a period of time without having to again expand the powerhouse itself.

Yes, the Deputy Minister points out a very important point and that is the trick will be which sections will get the priority; perhaps we'll have to have a draw on that one.

**MR. CHAIRMAN:** 2.(b)(1) Salaries — The Member for Virden.

**MR. GRAHAM:** Well, Mr. Chairman, perhaps while we're having a rather general discussion right now, it might be appropriate for the Minister to give us a general outline. He's talked about the expansion of the powerhouse.

At the present time the powerhouse services this building, the Law Courts Building; does it service the Woodsworth Building and the Norquay Building? It also provides service to the old Vaughan Street Detention Centre and the old Land Titles Building. Is that correct?

**MR. USKIW:** Well, Mr. Chairman, the Woodsworth Building, the Norquay Building, the Archives Building, the Legislative Building, the Law Courts Building, the Land Titles Building, the Lieutenant-Governor's House are all serviced by that facility. I'm not sure about — what was the other one that was mentioned? There was one other one — the Vaughan Street — I'm not sure about that one.

**MR. GRAHAM:** Is that building still occupied?

**A MEMBER:** Twenty-three Kennedy.

**MR. USKIW:** Twenty-three Kennedy. That must be the PC Headquarters.

**MR. GRAHAM:** No the other building I mentioned was the old Vaughan Street Detention Home.

**MR. USKIW:** Yes, they're serviced by heating, but not by air conditioning.

**MR. GRAHAM:** Well out of those building, for air conditioning purposes, are any of them presently

being serviced from the power plant for air conditioning.

**MR. USKIW:** Well, the Woodsworth Building is; the Norquay and the Archives are.

**MR. GRAHAM:** So three of those buildings are presently serviced?

**MR. USKIW:** That is correct.

**MR. GRAHAM:** Are there plans to also air condition the Law Courts Building?

**MR. USKIW:** The plans for the new Law Courts Building provide for air conditioning, yes.

**MR. GRAHAM:** But the old building isn't?

**MR. USKIW:** The new power or the upgraded power plant will have the capacity to also include the old Law Courts Building. Perhaps, Mr. Chairman, I should elaborate on that. The old Law Courts Building is scheduled for renovation once the new Law Courts Building is completed and occupied, so it's a few years down the road.

**MR. GRAHAM:** I was wondering if the Minister would be prepared after the supper hour adjournment to perhaps bring us the plans and show us the plans for the general improvement and the proposed development of this general area. Would that be possible?

**MR. DEPUTY CHAIRMAN, Phil Eyler (River East):** Mr. Minister.

**MR. USKIW:** Mr. Chairman, we do have a set of plans, they're not very large, but we do have a set of plans that we can make available this evening. I thought perhaps we'd be finished before then but perhaps that is presumptuous on my part.

**MR. GRAHAM:** Mr. Chairman, through you to the Minister, the present Land Titles Building, is that occupied?

**MR. USKIW:** No, Mr. Chairman. The plan for that particular building is to have it renovated and it will be used as quarters for the judges who will be servicing the new Law Courts Building.

**MR. GRAHAM:** Is this a five-year plan, or a seven-year plan, or a ten-year plan?

**MR. USKIW:** On a progressive basis it'll probably take about seven years to complete all of this, Mr. Chairman, a seven-year plan.

**MR. DEPUTY CHAIRMAN:** The Member for Portage.

**MR. LLOYD HYDE (Portage la Prairie):** Mr. Chairman, I just wonder when I can bring this to the attention of the Minister. It's about the Portage Provincial Building.

**MR. USKIW:** Well, it depends what the member has in

mind, Mr. Chairman. Perhaps he should indicate and then we could . . .

**MR. HYDE:** Well, I'll tell you, what I'd like to bring to your attention is the lack of parking space available for both the employees and anyone wishing to do business within the building.

**MR. USKIW:** The item is indeed the Construction/Acquisition resolution, but to satisfy the member, I can tell him that we made provision in these Estimates for parking facilities for that building.

**MR. HYDE:** You have. Well, I'm glad to hear that. You're going to please . . .

**MR. USKIW:** We're looking after Portage very well, Mr. Chairman.

**MR. HYDE:** . . . yes, Mr. Minister, I'll be looking forward to the progress of that little improvement there because, as I understand that when the building was put there by the NDP administration of the time, they were going to assure the City of Portage la Prairie that adequate parking was going to be made available. Something went wrong with their plans and it's just a holy terror in there. If I was a resident of the immediate area, I'd be up in arms long ago over that because there's just no way can you park in front of your own buildings, your own home, the way things are today. It's especially bad in the winter months with the build-up of snow; I've seen 6th Street narrowed down to one lane of traffic due to push-up of snow. I'm certainly pleased that some action is going to be taken on that subject. Thank you.

**MR. USKIW:** Mr. Chairman, I hate to mention it, but it's probably appropriate to mention it, the member says something went wrong with the NDP plans of the '70s. I think that wrong was in October of '77. We'll leave it at that.

**MR. DEPUTY CHAIRMAN:** 2.(b)(1)—pass; 2.(b)(2)—pass; 2.(b)(3)—pass; 2.(b)(4)—the Member for Virden.

**MR. GRAHAM:** Mr. Chairman, has the Department of Government Services given up in trying to recoup from other departments or is there a real reason for about a 500-percent decrease in the amount recoverable?

**MR. USKIW:** Mr. Chairman, that is what I was alluding to earlier in error on the other resolution. This is the area where Finance recovers from Other Agencies where we were receiving the recovery directly before, so it's an accounting change.

**MR. DEPUTY CHAIRMAN:** 2.(b)(4) — the Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I wanted to ask the Minister a couple of questions on the general area of the sound system in the Legislature. I regard the present sound system as a disaster. I think \$70,000 was spent on this to install a new system; presumably, it had advantages over the old system. I don't see any.

Under the old system each individual MLA had a speaker before him, each one had a microphone and they had a speaker in the sense of you could hear whoever was on the microphone. Also, as a result of the way it was designed, there was some kind of an amplification of the voice of the person who was on the mike, so that therefore whoever had the floor could be heard clearly and distinctly and had some measure of authority. Now there is no voice amplification and everybody in the entire Chamber has the same volume, so that the hecklers and the speaker cannot be distinguished.

You know, I personally resent and dislike wearing an earplug or piece or whatever it is. —(Interjection)— No. I find it difficult to hear and I find that when there is something hot and heavy in the Chamber that it's just a complete disaster. If a person were an observer, other than somebody standing on their feet, they wouldn't know who was saying what and where it was coming from. So, I make this point to the Minister; he has inherited this system and we are I believe suffering under it. It may have some advantages about French translation and this and that, but surely with modern technology — I mean we're talking about Telidon today. We can put men on the moon; we can communicate through satellites with people all over the world by telephone. We're getting into advanced communication systems all over the world and yet we have this lousy sound system. Surely, the Minister can ask his staff to call in some consultants and ask them to make an improvement in this system. I would be happy if we would tear it out and install the old one. I would be thoroughly delighted, but since we are not going to do that, and since a great deal of money has already been spent, surely there must be a method whereby the person who has the floor has his voice amplified, whether this means some patchwork system of amplifiers on the floor or whether each MLA should have again some sort of a system whereby there is an individual sound system on each desk and so on. Surely, the wearing of earphones and the fact that hecklers are louder than the main speaker is not a good system; it's a poor system.

I ask the Minister whether he would at least investigate this. Call in his staff, ask them to call in some audio consultants and spend a couple of hundred or a couple of thousand dollars, whatever is necessary, to improve this system.

**MR. USKIW:** Mr. Chairman, I know what the member is alluding to, but I'm not certain that there is much that can be done, I suppose we can look at it. It is intended that we have a complete translation system and because of that you must have the earplug system in place. I suppose one could have a dual system, but then what you will have is French and English coming through the open system while at the same time you may be listening to one of those languages on the earplug system. I am not just sure how much attention one could pay to the sound waves that are coming through both ways at the same time. That could be a problem, unless one was to equip a microphone system in a way that one would shut it off when one used the other system.

So, you are really talking about two systems; I don't know if you are talking about one system.

**MR. DOERN:** Mr. Chairman, I have been to the United Nations years ago. I don't know how many official languages they have. They must have a dozen or more; I really don't know how many are official, maybe it's less, but what you need an earplug for is a translation. If a person in the Manitoba Legislature, like my colleague here, gets up and makes a speech in French, then that simply is what is heard in the Chamber. In other words, when he or the Member for St. Boniface speak in French that, whether amplified as it should be, or the present lousy system of natural voice, and some people's words don't get out farther than their own mouth in terms of hearing distance, whoever the main speaker is, French or English, that should be heard audibly without any artificial aids.

If you want a translation, then you should put on your earpiece and you will then get the translation. There is no problem in a sense of your going to have one coming over one and one over the other. If my colleague has the floor, everyone should be listening to French and if they don't understand French then they can get their translation via the earpiece. I just don't understand that point.

I simply say to the Minister that the present system is rotten and it is a backward step from what we had. The advantage is that it provides for translation whereas the old one didn't. That's the big advantage, but the disadvantage is no voice amplification. People are not hearing properly or they are wearing earpieces and people are talking off the mike and it's just an absolute shambles. It is a worse situation after a considerable expenditure than we had previously.

**MR. USKIW:** Mr. Chairman, I believe that I would want to have the opportunity to turn off the open system, if you like, if at that point in time I wanted to use the earplug system, the translation system. I don't think I would want to receive two voices, shall we say, coming at me at the same time; one via the earplug and one via the traditional audio system. So, one would have to have the mechanics of turning one off if one wants to plug into the other one. It's awfully difficult, in my opinion, to try to listen to commentary or speech-making if you have got two different languages coming through at the same time. You should be able to shut one off if it's going to work at all, if the suggestion of the Member for Elmwood is going to be practical. I don't know that you can make it operational in a way that would be satisfactory without having that facility.

**MR. DOERN:** Mr. Chairman, if you can't have subtitles, then you can always stick your finger in your ear while you are listening to the translation. Wherever you go, I mean you can go anywhere where there are translations, you hear the two, that's normal. — (Interjection)— I know, but the average person who doesn't understand the foreign language only hears a noise, so that is not the issue. I think the real issue is, why do hecklers have a greater input into the debate than the person who has the floor under our system? That is surely not a good system.

I just ask the Minister, will he look into this question? Will he ask his staff to investigate an amplification system and find out how much it would cost and find out whether it could be done technically?

**MR. USKIW:** Mr. Chairman, we have no reason not to want to improve the audio system in the Legislature if that seems to be the concern and desire of members. I don't mind giving him that assurance that we will look at it. I am not sure what we will end up with, but there is no harm in taking a look at the question.

**MR. DEPUTY CHAIRMAN:** The Member for Virden.

**MR. GRAHAM:** Mr. Chairman, it is not very often that I come to the aid of the Member for Elmwood, but in this particular case I have to say that I agree with the honourable member. The move that was made when the sound system was changed was one that all members looked forward to with great anticipation and I think that all members were very disappointed in what they got.

One of the dangers that, or I shouldn't say dangers, maybe one of the problems that we got was the type of microphones are supposed to be extremely sensitive and when you have an amplification there is a real danger of feedback through a live mike. It is a problem that we are facing to some extent in the Chamber now. I know there were tests done when the system was first put in with two or three amplifiers strategically placed around the Chamber and the feedback was one that would cause a nightmare for the operator of the console.

So, there is a problem there, but I think that all members would agree that the system we have today is not as good as what we had before, even though the old one was antiquated and it was difficult to get parts. When the odd rolled-up newspaper hit a microphone at the end of the Session it got broken; it was difficult to repair, but it was a system that was better than what we have today and I would support the Member for Elmwood and ask the Minister to take a second look at it.

**MR. USKIW:** Mr. Chairman, I have no further comments. I think we are prepared to review that, perhaps some alternatives may be found.

**MR. DEPUTY CHAIRMAN:** The Member for Elmwood.

**MR. DOERN:** Mr. Chairman, the other question I asked the Minister and this is not, I suppose, totally his responsibility. It's in regard to Hansard. It used to be that now and then, as it still is the case to a lesser extent, some witty repartee used to appear in Hansard and under the new system it seems that there is very little in the way of interjection. Now, of course, it's a problem for the recorder and maybe for the typist to sometimes determine who is saying what, but it certainly made for good reading. I know that I have heard one or two people who actually read Hansard, if you can believe that, Mr. Chairman . . .

**MR. USKIW:** There's only one or two though.

**MR. DOERN:** . . . who are not MLAs, feel that the record is sadder as a result and I certainly think that. I know yesterday, in committee, there were some very amusing comments made. I looked quickly to see if they were recorded; they weren't. My friend, the Member for Lakeside, was called to order by the



Chairman and told that he was making too much noise and that the Minister couldn't hear the questions being put by some of the MLAs and the Member for Lakeside piped up and said, "Well, the reason they can't hear it, Mr. Chairman, is you are banging your gavel all the time." That sort of stuff is lost, it's a great loss. I don't know if now we are into super efficiency and we just don't stand for that any more, whether there is a technical problem, but I simply say that on occasion when a remark crackles across the floor or across the table, in some instances it's quite clear who said it and in some instances, where it's not obscene, it is worth recording. It captures the flavour of the House.

I know in the Federal House, when something happens, they used to say the members said, oh, oh. Of course, they said all sorts of things, but our record is much cleaner and leaner and I prefer the old Hansard to the new Hansard.

**MR. USKIW:** I don't know, Mr. Chairman, whether there is a technical problem that prevents the usage of commentary that is introduced into the debate by other than the direct participants in the debate. I don't read Hansard, so I haven't noticed it quite frankly. I don't think there are many people that do read Hansard, although I suppose there are some and perhaps maybe there is a problem of flavour and content that perhaps is desirable. I can check to determine whether or not there is any technical reason why that isn't recorded.

**MR. CHAIRMAN, Harry M. Harapiak (The Pas):** The Member for Virden.

**MR. GRAHAM:** On a Point of Order, Mr. Chairman. I think Hansard comes under the Department of Legislation, not under Government Services.

**MR. USKIW:** That is correct. Why were we debating it?

**MR. CHAIRMAN:** 2.(b)(4)—pass; 2.(c) Workshop — Improvements and Alterations to Buildings and Grounds: Salaries and Wages — the Member for Virden.

**MR. GRAHAM:** Mr. Chairman, I believe this is the correct section to raise the issue of Dutch elm disease and the treatment that was applied on the trees around this building. I wonder if the Minister could give us a report on the effectiveness of that treatment and whether they plan to continue it.

**MR. USKIW:** Mr. Chairman, I am advised that all of the trees were injected and all of the trees in this area were sprayed at the trunk level to effectively control the overwintering beetles. An expenditure of some \$50,000 was involved and out of 250 trees we lost two trees out of this area. So, that's the record of it. We also do a tremendous of pruning of dead branches and so on. I still believe it remains to be seen whether or not the program is the answer, if you like. I don't think there is a real answer; certainly it's a major deterrent I suppose; terribly expensive obviously.

**MR. GRAHAM:** In that treatment, were there any trees that were suffering from Dutch elm disease at that time that were treated or is this purely a preventative program?

**MR. USKIW:** Mr. Chairman, the program is a preventative program. No trees that I am aware of have been identified as infected by Dutch Elm disease, including the two that were removed. They were removed for other reasons, namely an excessive amount of dead wood, dead branches, etc.

**MR. GRAHAM:** That program only involved the trees around this building? It has not been extended to any other provincial buildings or physical plants that the province owns?

**MR. USKIW:** Mr. Chairman, the other areas where we have undertaken similar treatment is at the Selkirk Mental Health Centre, the Fort Osborne Complex, and the Brandon Mental Health Centre.

**MR. GRAHAM:** And the results? We have lost no trees at all to Dutch elm disease since that treatment?

**MR. USKIW:** Mr. Chairman, in the Selkirk area there has been a tremendous amount of diseased trees. Sixteen were removed, ten were confirmed as Dutch elm diseased trees. The remainder were 50 percent dead wood, if you like. These are mostly in the shelter belt area, that's at the Selkirk institution.

**MR. GRAHAM:** And that was after treatment or were those trees untreated?

**MR. USKIW:** Mr. Chairman, my guess would be that those trees were infected quite a period before the treatments were undertaken.

**MR. GRAHAM:** Is there an evaluation presently going on as a result of that program to see whether or not it was effective?

**MR. USKIW:** The impression is that the best we can hope for is a holding action on the spread of the disease. We don't think that we can eliminate it. The City of Winnipeg is finding a very similar experience to that of the province. It's an ongoing costly operation. It probably is worthwhile in the sense of the age of the trees that we have and so on that ought to be preserved. At the same time, there is a complementary program of tree planting of other species which would not be susceptible to Dutch elm disease to the long-term program.

**MR. GRAHAM:** Well, Mr. Chairman, I believe the Japanese elm is one that is supposed to be immune to Dutch elm disease. Could the Minister indicate to what extent the planting of Japanese elms has been carried out on government properties?

**MR. USKIW:** The department has emphasized green ash I am told, Mr. Chairman, as opposed to the elm.

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

**MR. HYDE:** Yes, Mr. Chairman, I was wondering if the Minister could indicate to me whether — have they established a pattern where this Dutch elm disease is more effective. I was always of the opinion that it was bordering rivers and such; that it seemed to appear, but I'm wondering if he could indicate to me if that is the case in the Portage area, and are we heavily infected in that area.

**MR. USKIW:** Well, Mr. Chairman, we are really not in a position to know in the sense that the department we are now considering is involved mainly with government grounds. The agencies that are responsible for Dutch elm disease control are Agriculture and Resources. So really I can't give the member an overview picture, so to speak, of the Dutch elm disease problem. I can only relate to what we are doing on government grounds.

**MR. CHAIRMAN:** It is 2.(c)(1) Salaries and Wages—pass.

2.(c)(2) Workshop Operations — the Member for Virden.

**MR. GRAHAM:** Mr. Chairman, Improvements and Alterations, I suppose we could have covered it under something else, but in the operation of the room next door here in our so-called library, which is now nothing more than a store front for our library, what extent are the renovations going to be in that room?

**MR. CHAIRMAN:** Mr. Minister.

**MR. USKIW:** Mr. Chairman, the expenditure is running around or has been about \$30,000 so far. We will be introducing some casual seating capacity for reading purposes and the intent is to spend about 50,000 or 60,000 additional dollars to complete the renovations in that area.

**MR. GRAHAM:** The floor will be done and everything?

**MR. USKIW:** I'm told, Mr. Chairman, the flooring has been done. It's been carpeted this year.

**MR. CHAIRMAN:** 2.(c)(2) Workshop Operations—pass; 2.(c)(3) Workshop Minor Projects—pass; 2.(c)(4) Less: Recoverable from Departments—pass.

2.(d) Leased Accommodations, (1) Salaries — the Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I wanted to just ask a couple of general questions here which could fit in under a number of departments, another number of areas of the Estimates, and I won't be here this evening so I wanted to relate them to Leased Accommodations.

Apparently, the Land Value Appraisal Commission is moving from the Woodsworth Building. If so, where are they moving to and if so, why?

**MR. CHAIRMAN:** Mr. Minister.

**MR. USKIW:** Mr. Chairman, at the moment we have not yet determined the location of the Land Value Appraisal Commission but it's intended to be in the

vicinity of the Legislative Building.

**MR. DOERN:** Mr. Chairman, part of the practical and philosophical question is, of course, how much the government should build and how much it should lease, and I just wanted to ask a couple of questions in that regard.

Autopac is now leasing accommodation and the province owns property, I assume, beside the Museum. Do we still in fact own and hold that property?

**MR. USKIW:** Yes, Mr. Chairman, we do.

**MR. DOERN:** The province owned property in the vicinity of City Hall and there was a plan to build the new Law Courts Building there. I understand that property was given or loaned or something to the Chinese community. Can the Minister report on the status of that property?

**MR. USKIW:** Mr. Chairman, as I recall it, the province has indicated their willingness to give up of that property to the Chinatown Development, I believe for a nominal fee, provided that the City of Winnipeg was going to make a similar contribution and which apparently they have agreed to or have already done, so that property is no longer available to the Government of Manitoba for its purposes.

**MR. DOERN:** So that property which was probably acquired at \$1 million or so has been given to the Chinese community?

**MR. USKIW:** Mr. Chairman, I have no knowledge as to the acquisition costs, but there has been agreement with the Chinatown Development Corporation for the use of that property.

**MR. DOERN:** Can the Minister indicate when that was done? My impression is that was done during the election campaign or shortly before.

**MR. USKIW:** My recollection has it that we finalized that arrangement after the election, Mr. Chairman. It was an ongoing process and I believe I signed some documents to that effect or at least it came across my desk and it was processed.

**MR. DOERN:** But the announcement was made prior to the election?

**MR. USKIW:** Well that I don't know.

**MR. DOERN:** Mr. Chairman, my other question is, I assume we still own the property in Elmwood at Stadacona and Talbot?

**MR. USKIW:** Yes, yes.

**MR. DOERN:** And I wanted to ask the Minister if he has any intention to develop that site. Now, that site was first looked at about nine years ago as a possible site for a government office building and a senior citizens complex. In fact, it was also once looked at as a possible site for a Liquor Control Commission store because there are very few in that part of town. There

used to be, in fact, a liquor store on Henderson Highway near Johnson but that's gone.

But my interest was a possible government office building of 50,000 square feet and, in particular, with it a senior citizens housing complex of some 60 or 62 units. It took years to acquire the property. There was certainly a need for accommodation for civil servants and an interest on the part of the Schreyer administration to decentralize civil servants. Some civil servants were put into rented accommodation on Henderson Highway and then were moved later into St. James, and I guess one question I might just ask the Minister there is, does the government, does the Minister have a continuing interest in decentralizing Civil Service services and Government Services throughout the City of Winnipeg and throughout the Province of Manitoba?

**MR. USKIW:** Mr. Chairman, the question is a valid one. From my own point of view, I've always promoted the idea of the government being a part of the economy of every community in the province as opposed to centralizing its operations in one or two regions. So, I think it flows from that, that it also makes sense to do that within a large urban community that you don't necessarily have an advantage, perhaps, only a matter of advantage of convenience to some staff people by concentrating the Civil Service in one area but, by and large, I believe it is desirable to spread out the job opportunities, environmental aspects of it, as they relate to a government's role in a community. All of those factors enter into it. I don't believe that any argument has been put forward for concentration of government buildings. Certainly, it makes sense to have certain key facilities near the Legislative Assembly but, by and large, I believe the Civil Service could and ought to be dispersed throughout the whole of the urban community to the extent that is practical.

**MR. DOERN:** Mr. Chairman, again, the Stadacona and Talbot site, I guess, first of all, a site was sought and finally, I guess, in 1973-74 the search for a site in the area was looked at. Then I suppose around 1975 or 1976 property was purchased, an architect was commissioned, conceptual drawings and working drawings were completed, the contract was tendered, the contract was awarded to a contractor. This all took a long time and finally in 1977 in the fall, the sign went up, the fence went up, the contractor moved his mobile home or whatever it was onto the property and was on the verge of excavating the basement and commencing the construction when an election was involved. The Lyon Government came in and promptly cancelled the project. That is now four years ago; the property is still there.

I believe the need for a senior citizens' home can be substantiated. When it was announced there would be one, many people spoke to me and were interested and thrilled with the prospect of finding accommodations in the Elmwood area because they were Elmwood residents looking forward to moving in. I'm simply saying that projected complex of an office building with a senior citizens' building has been knocked out four years ago. I simply say to the Minister, would he investigate and re-examine that proposal, that prospect with a view to retendering it if he

feels and the government feels that the need is still there for office accommodation and senior citizens' apartments?

**MR. USKIW:** Mr. Chairman, I believe that all of the properties that we have in the City of Winnipeg ought to be looked at, at a time when government believes that there is a need for additional office space.

With respect to senior citizen accommodation, that is something for another department to consider and, secondly, the rules with respect to the building of those projects have been altered very substantially by the Government of Canada so that one would have to have a local sponsor for a senior citizens' complex in order to get the government to put up the mortgage capital. It's no longer a matter of the province being the initiator as it was in the past. I believe there are many other restrictions on the program that I'm not able to relate to at the moment.

With respect to the use of the property as an office facility, we can take that under advisement since it was, in fact, programmed and determined in the not too distant future whether or not there is a need for additional office space, Mr. Chairman.

**MR. CHAIRMAN:** The hour is 4:30. We are interrupting proceedings for Private Members' Hour. The committee we reconvene at 8 o'clock.

## COMMITTEE OF SUPPLY

### SUPPLY — FINANCE

**MR. CHAIRMAN, Jerry T. Storie (Flin Flon):** The Committee of Supply will come to order. I direct the members attention to page 55 of the Estimates booklet. The items to be considered are under the Department of Finance. Begin with Item No. 1., General Administration 1(a), Minister's Salary.

The Honourable Minister of Finance.

### TABLING OF DOCUMENT

**HON. VICSCHROEDER (Rossmere):** Thank you, Mr. Chairman. I'd like to take this opportunity to make some brief introductory comments on the Finance Estimates. To assist members in their review of the Estimates I am pleased to table a detailed expenditure and program information supplement prepared by the department. This supplementary information is being presented in line with recommendations of the auditors and is aimed at providing members with more detailed information formerly obtainable only through questions. It is hoped that this may enable the members to deal with the Estimates more expeditiously than has sometimes been possible in the past.

The supplement which is entitled, Illustration of Supplementary Information for Legislative Review is organized into three parts. The first part provides an overview of the department's financial and personnel requirements for '82-83 and highlights changes from the previous year. The second part provides program descriptions and detailed analysis of budgetary requirements. Part three provides five year historical comparisons.

I should note that this supplement has been pro-

duced on a trial basis to assess its merits and to illustrate the type of material which could in future years be provided as a matter of course. I believe that the provision of this more detailed information, both program and financial, represents a helpful step forward in fulfilling the information needs of the Legislature and thus increasing the accountability of the department and of the government. I would welcome feedback from the members on the usefulness of this supplement as well as suggestions for improvements for future years.

Turning to this year's Estimates themselves, I can advise that the organization of the Department of Finance is unchanged from last year. The Estimates include a total of 338.32 staff years; made up of 325.36 permanent and 12.48 term. This represents an increase of 4.36 authorized staff years from '81-82. Members will probably be aware of two significant changes in the senior management of the department.

First, I'm pleased to note the Mr. Bill Fraser was appointed in October of 1981 to fill the position of Comptroller, which had been vacant for some time. Mr. Fraser's appointment will be of considerable importance in continuing efforts to improve financial management throughout the government.

Secondly, I'm pleased to advise members that Mr. Art Roberts, formerly the Chief of the department's Taxation Division was promoted to the position of Assistant Deputy Minister in that division earlier this year. Mr. Roberts succeeds Charles Perry, who has retired following a distinguished career in the department.

Perhaps I should comment briefly at this point on the Treasury Board and its relationship to the department. There are now seven Ministers on the Treasury Board with the Attorney-General serving as Chairman. The Deputy Minister of Finance, Mr. Charles Curtis, continues to act as Secretary to the board and regular Department of Finance personnel have been providing staff support. For this reason separate expenditure authority has not been requested for the Treasury Board for '82-83. Further background on the functions and responsibilities of the Treasury Board and the department as they pertain to the government's central management system can be found in the 1980-81 Report of the Provincial Auditor, specifically on pages 18 through 24.

I won't spend time here dealing with the various departmental expenditure figures since they are covered in detail in the supplementary material. As we go through the Estimates members will probably want to refer to part 2. of the supplement headed Detailed Financial Information, which as I noted earlier provides substantial information on each of the divisions.

Thank you.

I thought I had already asked for the supplement to be tabled, but if I hadn't then I will do so now.

### SUPPLY — FINANCE Cont'd

**MR. CHAIRMAN:** The Honourable Member for Turtle Mountain.

**MR. RANSOM:** Mr. Chairman, I'm pleased to see that the Minister is tabling the supplementary information. It's something that I believe that I had agreed to dur-

ing the Public Accounts over a year ago that one or two departments try and provide this additional information in order that we wouldn't have to spend so much time on detail in the Estimates review. I'm pleased to see that he has carried through on that.

My only comment would be that I wish it had been distributed a day or two in advance, in order that we might have had an opportunity to look at it and judge whether or not, well just how useful it would be in the review of the Estimates and perhaps would prevent the necessity of asking some questions. I know that the Minister is interested in moving along through his Estimates rather quickly since he has to bring down the Budget within the next few days and I doubt that it's going to be a terribly popular document, Mr. Chairman, so I expect he wants to deal with this while he still has substantial credibility left.

Mr. Chairman, we'll go through a few detailed questions. I hope to deal with this with as little detail as I can because there are a number of general areas of policy that we would like to deal with, but not having looked at the document yet, perhaps the Minister could advise me in the area of — well maybe I should ask the Minister first, Mr. Chairman, how he would prefer to deal with these Estimates; whether he wants to have a broad discussion in the area of General Administration or whether he prefers to move through on a line-by-line basis?

**MR. SCHROEDER:** I suppose my preference would be that we go through on a line-by-line basis and then, of course, in certain areas there obviously will be room for discussion in the various departments of the department, and we could then wind up under Minister's Salary with the usual debate.

**MR. RANSOM:** That's fine, Mr. Chairman, we'll attempt to deal with it in that way. I don't have a great deal to say in the area of General Administration at the moment, because it would be repetitive to go over some of the points that I had made in the Interim Supply Debate, primarily in the debate of Interim Supply, where we had expressed some concern about the handling of some of the figures coming out of Finance in terms of the public presentation of them. We may, indeed, return to that from time to time in the detailed discussion.

We also had an opportunity to have some discussion during Public Accounts of some of the policy issues, we may return to some extent to those, but we'll try and avoid repetition on that if we can.

Mr. Chairman, we could move to a question that I have on Item 1.(b) then, which would be what accounts for the rather substantial increase in the Salaries area of 1.(b)(1).

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

**MR. CHAIRMAN:** At this point it would be appropriate if the Minister would like to bring in some departmental officials.

**MR. SCHROEDER:** I'd love to. They're on their way in, as I understand it.

The member is referring to the increase from \$156,400 to \$262,500.00. For (1), there is an increase

staff person; that is, we've hired an Executive Director of Information Management at a salary of \$51,000.00.

As well, there is payment of the Special Assistant shown for \$30,000.00. I believe last year that was shown as a contract expense, \$33,000 last year to a company that contracted those particular services — John Burns. That was the majority of the increase. There is also one increase in staff person, an Administrative Secretary for \$12,500.00.

**MR. RANSOM:** Mr. Chairman, perhaps the Minister could tell us a little bit about what the Executive Director of Information Management does, and perhaps if he would identify — I believe he said that there were 4.3-some extra staff man years in the department, perhaps if he would just identify where all those are, then it'll avoid the necessity of asking as we go through line-by-line.

**MR. SCHROEDER:** Yes, Mr. Chairman, the Director of Information Management is reviewing the use of computers and computer system for information gathering in all areas of the government. I'll get more information to the member on that. There was, I recall, a substantial press release issued when she was hired. The name of the individual is Zorianna Hyworon. She comes highly qualified for that position, and I'll get more information for the member on that.

It looks like it'll be a minute or so, before we get the rest of the information.

**MR. RANSOM:** Mr. Chairman, I see in looking at the document of supplementary information that Schedule 7 perhaps gives some indication of where the extra staff occur. It may be then just a question of what they do.

Just to follow up on the Director of Information Management, does she have a close working relationship with Manitoba Data Services, for instance? Is she the contact point for the government in their dealings with MDS?

**MR. SCHROEDER:** She will be the contact person with Manitoba Data Services and she will be providing recommendations to departments, with respect to the type of equipment and services that ought to be provided by them in order to have a co-ordinated set of government equipment throughout.

**MR. RANSOM:** Mr. Chairman, I wonder if the Minister would care to comment on how the arrangement is working with the Chairman of Treasury Board being the Minister responsible for another government. I know we had that arrangement for a while when we were in government. I'm wondering how satisfactory he finds that and if they expect there would be some change in the structure of Treasury Board and how it operates. Is there any indication; any intention to go back to the old system that was in place a few years ago of Management Committee and Planning and Priorities, or is it the Minister's intention to continue on with a similar type of Treasury Board structure to what is now in existence?

**MR. SCHROEDER:** For now we have no intention of changing the system. In terms of the system of having

a Chairman who is other than the Finance Minister there are obvious duplications that arise as a result of that. The Attorney-General is required to look at large volumes of paper that have probably come across my desk as well and it would appear that what happens is that — and for good logical reason — the two people most likely to be closely involved with the Treasury Board meetings at every meeting would be the Chairman and myself. I would expect that at some point in the future the Chairmanship of Treasury Board would be transferred back so that the Finance Minister would be the Chairman again. It does allow me some time that I wouldn't otherwise have, but I think that the current Chairman is required to spend an awful lot of extra time as a result of that.

**MR. CHAIRMAN:** 1.(b)(1)—pass; 1.(b)(2) Other Expenditures—pass; Item 1.(c) Administration: 1.(c)(1) Administrative Services—pass; 1.(c)(2) Administrative Policy Branch, 1.(c)(2)(a) Salaries—pass; 1.(c)(2)(b) Other Expenditures—pass; 1.(c)(2)(c) Insurance Premiums—pass; 1.(d) Special Studies—pass. That completes the items under General Administration.

Continuing to Item No. 2. Treasury Division, 2.(a) Salaries.

**MR. RANSOM:** Mr. Chairman, I wonder if it's the intention of the Minister to make a few comments by way of introduction in each of these areas that we move through. It might give us some indication of policy changes, that sort of thing.

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

**MR. SCHROEDER:** Mr. Chairman, with respect to the Treasury Division, I can say first of all that there are no contemplated policy changes. The Treasury Division is responsible for capital financing of the government and its agencies, issuing of provincial securities, long-term investments for the government and its agencies, servicing the provincial debt, cash flow prediction and management of government money, authorizing all provincial bank accounts, maintenance of government banking relations, monitoring foreign exchange and investments markets, and managing the operations of the Manitoba school capital financing authority, and the Manitoba hospital capital financing authority.

I suppose I might say that in this area one of the concerns we would have over the next year or maybe even a longer period of time is the practical unavailability of large sums of money on the markets. That just seems to be a fact of life today. On that topic just this morning we had confirmation of an item that we knew was coming. The Alberta Government has now been put in a position where it's no longer able to lend out money from the Heritage Fund to other provinces, so that will be one source that has been shut out to us. That means looking for money elsewhere again. In the last number of years there has been far more money borrowed by Canadian governments and corporations than there has been available in the country and that is one of the problems that we have, therefore, we do have to look to other markets for funds.

I should say that, as the Member for Turtle Moun-

tain well knows, it's a very capable group of dedicated career civil servants who are operating the branch and we are relying substantially on their opinions with respect to how we go about fulfilling our capital requirements.

**MR. RANSOM:** Mr. Chairman, last year in the discussion of the Estimates there was a considerable number of questions asked concerning the loan that our government had taken from the Heritage Fund at that time. The gist of the questioning from the former Member for St. Johns and for the Member for Lac du Bonnet seem to be that really that Heritage Fund money belonged partly to the people of Manitoba, that therefore the government should have been able to drive a much better deal than they actually did in funding that money. I'm wondering, Mr. Chairman, if the Minister when he concluded a loan, I think \$75 million with the Heritage Fund, whether he was able to pursue that line of reasoning with the Heritage Fund people in Alberta to convince them that really some of that money belonged to the people of Manitoba as the Honourable Member for Lac du Bonnet and the Member for St. Johns indicated. Was he therefore able to get a rate that was better than the, I believe, AAA rating that we were able to get.

**MR. SCHROEDER:** Well, Mr. Chairman, I suppose if we used the argument that part of that money was ours in the first place it would have been easier for me and easier for the former Minister of Finance to negotiate a lower rate if part of it was in our pocket before we started the negotiations. Regrettably, it wasn't, and therefore we weren't in a position to be able to negotiate a better rate. Although we may have some questions about whether one province should get such a large proportion of the benefit of natural resources that are Canadian natural resources is one question, but once the money is in the hands of a particular provincial government and we are the borrowers then, of course, we are in a position where we're going to have to accept their terms or not take the money. Their terms did, as the member indicates, provide us with funds as though we had a AAA rating. In addition to that, of course, with a loan from the Heritage Fund we were in a position where we did not have to pay any fees on the loan. Of course, that happened in the previous loans as well, so to that extent we were much happier to be borrowing from that fund than from other sources.

**MR. RANSOM:** Mr. Chairman, a question concerning the borrowing requirements. Last year in the Budget, I believe it was estimated that the government would require some \$250 million from public market sources. It strikes me that since that time there has been substantially more than \$250 million borrowed from public market sources. I wonder if the Minister would care to advise the committee just what has taken place there. I believe that we borrowed some 150 million in U.S. last June and there has been a Heritage Loan and a Swiss Loan and another 200 million U.S. prior to the end of the fiscal year in 1981. I wonder if the Minister could advise the committee on what's happening there.

**MR. SCHROEDER:** Yes, Mr. Chairman, the Budget Estimate last year indicated cash requirement of 365 million and I am just assuming that 115 million of that would have been or expected to come from Canada Pension Plan funds, so that you had the \$250 million figure that the honourable member mentions.

The Budget Estimate included \$75 million for refunding net of sinking funds; Manitoba Hydro, \$75 million; Manitoba Telephones, \$35 million; other Crown corporations, \$40 million; sinking funds, \$40 million and cash deficit, \$100 million. The revised numbers were — this is as of early March, 1982, so the numbers might be slightly out, but not that much — refunding net of sinking funds, \$84.4 million; Manitoba Hydro, at that point it was at \$133.9 million with an additional requirement of \$85 million, \$55 million of which was refunding. MTS was by then at \$64 million and required a further \$54.7 million of which \$29 million was for refunding. Other Crown corporations were at \$53 million. Sinking funds were \$40 million as per original projections and the revised cash deficit was at \$289 million, so the Budget Estimate cash requirement was considerably low. I am not sure whether I mentioned the total was \$664.3 million as opposed to the 365 initially projected.

So the borrowing done for 1981-82 was not for future years; it wasn't for 1982-83. Yes, there was \$135 million borrowed from CPP, \$178.6 million U.S. issue in the summer, \$61.8 million Swiss refinancing, \$74.9 million Alberta and \$240 million recent U.S. issue for a total of \$690.3 million which is about \$25 million above the total revised requirements.

**MR. RANSOM:** Mr. Chairman, I wonder if the Minister would repeat the changes on Hydro and Telephone from what was projected in the Budget last year to the actual borrowing requirement.

**MR. SCHROEDER:** Yes, Mr. Chairman, my total for the revised requirements was incorrect; I said 664.3. In fact, in addition to that you have to add on 85 million for Hydro which is in addition to the 133.9 million which had been borrowed by early March for Hydro and you would have to add on another 54.7 million for MTS which is in addition to the 64 million already borrowed for MTS in early March.

**MR. RANSOM:** Mr. Chairman, the obvious questions are what happened. This is a colossal change from what had been projected. Why were there unforeseen requirements for Manitoba Hydro or for Manitoba Telephones of that nature? I believe the Minister at one point said that in total, the cash requirement was something like \$690 million when the Budget talked about 365. I think some detailed explanation as to why these changes came about in such an unexpected fashion.

**MR. SCHROEDER:** Mr. Chairman, probably the best approach would be for me to get the member a complete analysis of the changes rather than to come up with the partial information that I would have available right now.

**MR. RANSOM:** Mr. Chairman, I guess I am prepared to wait for what information the Minister can provide,

but it strikes me as rather unusual because I don't recall at the time I had ceased to be Minister that we were anticipating this kind of change in the requirement. So I will be looking forward to an explanation of what has taken place.

Also, Mr. Chairman, I would like to know what would the Minister consider to be a normal level of bank overdrafts and promissory notes. What would be a normal operating level?

**MR. SCHROEDER:** Mr. Chairman, this would depend very much on what market conditions are like out there. If we feel at any given moment that we're better off paying short-term substantial amounts of interest, rather than translating that debt into longer-term interest at just slightly below the interest rate being paid on the promissory notes or overdrafts, you assess the market; if you think interest rates are going to come down, you may swallow some of those kinds of high short-term rates for longer-term benefits. I think we would all agree that we would try to keep the overdrafts and promissory notes, short-term money, at a minimum because generally you're paying greater amounts for that type of money than for long-term debt.

**MR. RANSOM:** Mr. Chairman, I wonder if the Minister could advise what that figure was at the end of March, 1982, and approximately what the highest point might have been during the year.

**MR. SCHROEDER:** I'll get that information for the member. While I'm up, I've have a document here indicating the terms of reference for the Executive Director. In any event, the terms of reference are: to review the status of the information processing activity in the Manitoba Government public sector, including the effectiveness of present policies with respect to acquisition of computer processing hardware and services by Crown corporations and agencies; the mandate and role of Manitoba Data Services; the key issues faced by Manitoba Data Services; the key issues faced by Crown corporations and agencies.

Then, to present recommendations, as appropriate, related to the mandate and organization of Manitoba Data Services; to present recommendations regarding the policies with respect to the acquisition of computer processing hardware and services by Crown corporations and agencies; present recommendations regarding the roles of Treasury Board Crown corporations and agencies in MDS with respect to the planning, monitoring, control, management and acquisition of computer resources in the public sector; (3) to review the status of information processing activity in the Manitoba Government, including departmental activity in the areas of data processing, office processing and communication; (4) to examine the roles of the various organizational units involved or affected by information processing with respect to planning, monitoring, controlling, management of such activity and the acquisition of resources and services. Units to be included in the examination are: Departmental Management, Data Processing Review Committee, Department of Finance, Systems Planning and Development Department, Government Services, Manitoba Data Services, and Treasury Board; (5)

recommend an organizational strategy for the central government, including an appropriate structure and distribution of roles and responsibilities between users, servicers and any central units; (6) identify and assess key issues that will need to be addressed in the development of long-term information management strategy for the Manitoba Government.

**MR. RANSOM:** Mr. Chairman, I wonder when the Minister expects to have the information dealing with the overdrafts and promissory notes.

**MR. SCHROEDER:** I expect very shortly this afternoon.

**MR. RANSOM:** Then we'll deal with another couple of items in the meantime, Mr. Chairman. The question of borrowing, has the Minister made a projection of what the borrowing requirements are going to be for the next few years, what they might be in the coming year, the year after? They are listed, I know, and some of the refinancing requirements I believe are going to be quite high in the next year, not in the year that we're into. I wonder if the Minister could give any indication at this time of what he thinks the capital requirements, the borrowing requirements, might be of the provinces say by '83-84.

**MR. SCHROEDER:** Mr. Chairman, that would be pretty difficult to tell in advance. Just for example, in '81-82, there was something like 100 million in refinancing. In '83-84, there will be something over 400 million in refinancing and in addition to that, as the member knows, there would be financing for any capital works that might be ongoing and I believe that Capital Expenditures have been over the 200-million mark as of last year. So, it could be certainly a significant amount, especially if any substantial projects get under way.

**MR. RANSOM:** Mr. Chairman, in view of the fact that the borrowing requirements for '81-82 evidently expanded unexpectedly, certainly unexpectedly as far as I'm concerned having been a Minister of the department, can the Minister indicate then what the borrowing requirements might be for '82-83?

**MR. SCHROEDER:** Mr. Chairman, I don't really think I'd be able to answer that question at this time because, obviously, partly it depends on the capital spending Estimates, the supplementary items that may be coming into being, hopefully, next week.

**MR. RANSOM:** Can the Minister indicate to the committee what he thinks the borrowing capacity of the province would be for over the next few years?

**MR. SCHROEDER:** Mr. Chairman, depending on the purpose of the borrowing, of course, if it was for a Capital project that might get underway, we don't see any difficulty in expanding the borrowing necessary. We do have a good credit rating. I would point out to the member that just for an example, in comparison, Nova Scotia's 1982-83 Budget indicates a deficit for that province of \$385 million for the year 1982-83 and their credit rating is just below ours.

Again, it would depend on market conditions and the purpose of the borrowing. I think that any lender does take a close look at the purpose of borrowing and I think there is a recognition that occasionally there will be borrowing on current account, but generally the borrowing of a government, I think the lending agencies feel more comfortable when it is for Capital purposes such as Hydro and Telephone and that type of borrowing purpose.

**MR. RANSOM:** Mr. Chairman, does the Minister think that there might be any ceiling on the borrowing capacity of the province if the province was to be undertaking substantial developments, say, in the area of Hydro development or potash development, investment in ManFor, ManOil, along with what I expect will be a very substantial operating deficit of the government? Does the Minister think that there might be, indeed, a ceiling to the borrowing capacity in the province within the next couple of years?

**MR. SCHROEDER:** I am sure that somewhere, theoretically, there is a ceiling. We are not of the view at this time that we are approaching that ceiling in looking at other governments, but that doesn't mean we are not concerned about the difficulties with our departments right now. —(Interjection)— I am not going to touch that. It is very difficult to say what exactly a ceiling might be, but I should say that the member touches on a very serious concern that if we were to proceed with a number of projects at once without some kind of arrangements with possibly the Federal Government or some other agency to take the loans on their guarantees rather than ours, we could conceivably in times when money is as short as it is right now, long money, have some problems. I don't see them right around the corner. I think that is mainly theoretical for now. I think that we will do quite well if we can come up with the projects.

**MR. RANSOM:** Mr. Chairman, might it be a consideration then in dealing with Alcan, for instance, where Alcan had an undivided minority interest in the power station that they would be providing the several hundreds of millions of dollars in capital that would be required, whereas if government builds that on their own, they have to provide the capital? Might that be a consideration, since the Minister acknowledges that at least it is a question that needs to be addressed as to what the borrowing capacity of the government might be?

**MR. SCHROEDER:** I suppose one could take that with each item that we would be better off having someone else build it and then, of course, we wouldn't have to borrow the money. We would then as well not have ownership. It seems to me that it may well be that there is some way of dealing with that issue with Alcan as a company which has been involved in Canada for some time. I would presume that one of the areas that they are looking at when looking at owning a portion of the plant for a period of time is their ability to be able to write off that dam against their income in other portions of Canada. So I would hope that in some way or another, we can come to a negotiated agreement which will take into account their concern with

respect to that issue and our concern with respect to the long-term ownership of a power dam.

**MR. RANSOM:** Mr. Chairman, can the Minister advise where he expects that the money is going to come from that Manitoba is going to be borrowing over the next few years and what sort of terms would he anticipate that it would be possible to get in the market?

**MR. SCHROEDER:** Mr. Chairman, that one is very difficult to answer other than in relative terms, first of all, in terms of where we would go. We have indicated that we would prefer to stay in Canada, prefer to stay in North America. On the other hand, we also have to ensure that we have access to money if there are any difficulties with those markets and so we have to look elsewhere as well.

In terms of rates, rates have gone within a period of a year from 18 percent, 22 percent, down to 13 percent, etc. So I would hate to be on record as saying that we are going to be able to get money at specific interest rates a couple of weeks or a couple of months, let alone a couple of years, down the road. I think that's one of the reasons why we are having the economic problems in Canada that we are, that there is no feeling of security by investors that if they get 13 percent money or 15 percent money or, indeed, I believe right now the prime rate is 17 in Canada, but even that isn't assured to them. They can't even make that kind of calculation other than maybe they can do that for a one or two or three-year period, for the length of time of a particular loan, and beyond that, what they are afraid of is that it could even go considerably higher and that's putting a lot of people into a position where they're not making new investments that they would otherwise be making throughout this country. We are just as concerned, as I'm sure the members on the Opposite side are about that problem.

**MR. RANSOM:** Mr. Chairman, I don't believe I heard an answer there as to the term that the Minister expects, the length of time, that it might be possible to borrow money?

**MR. SCHROEDER:** Mr. Chairman, I'm informed that on the Canadian market the longest term one can get is five years. We got a 15-year loan in the United States a few months ago, but that was longer than most. Most American money is now down in the area of five years as well. There are other markets, the pound, where we could go for 25-30 years.

**MR. RANSOM:** Mr. Chairman, is the Minister concerned then about the exposure that the province would have in doing extensive borrowings on short term. He's spoken on at least two circumstances where we're speaking about five year terms, they might conceivably be borrowing for purposes that Hydro Development, for instance, which the write-off might be extended over 50 or 60 years of time. Is the Minister concerned about the exposure that the government would have in terms of the fluctuation of currencies?

**MR. SCHROEDER:** Yes, very much so, Mr. Chairman. It's an added risk that wasn't around some years



ago. For example, when Inco came to Manitoba I believe there was a 20-year loan at a fixed rate in Canadian currency. Those kinds of loans aren't available today. So there certainly is a concern by government as well as by the private investment community about the risk involved even in Canadian loans, let alone in loans using American or offshore currencies.

**MR. RANSOM:** Mr. Chairman, would that risk then be a factor that the government might take into consideration in its examination, for instance, of the Alcan Letter of Intent which the previous government had been negotiating.

**MR. SCHROEDER:** Well, Mr. Chairman, the one thing about this, as bad as things are, everyone else is in the same boat, that is, you have everyone in the business being put in the same circumstances. But it certainly is something that if I had a choice I would prefer to have the risk of the borrowing, the risk of increased interest rates on someone else rather than on the public purse of Manitoba.

**MR. RANSOM:** Perhaps, Mr. Chairman, then the Minister would acknowledge, or I hope he would acknowledge, that the assessment then of the Alcan proposal will be one that would be done on the basis of economics and not done on the basis of ideology. That the position that the government took, in opposition, was that they would simply not consider the possibility of having Alcan own a minority undivided interest in a power dam. I believe now that the Minister recognizes that there might be indeed a possibility of some financial advantage, some protection to the province to at least examine that possibility. I wonder if the Minister would care to comment on that?

**MR. SCHROEDER:** Well, Mr. Chairman, I can assure the honourable member that what we are looking for is a proposal that will be satisfactory to Alcan and satisfactory to Manitoba. We don't have any ideological hangups about that operation, we're looking at it from the perspective of trustees for the public of that particular resource, the Hydro resource and, as the member well knows, we would love to be able to accelerate Hydro development. It certainly could be of some tremendous benefit to Manitoba right now if there was some use for doing that.

**MR. RANSOM:** Mr. Chairman, does the Minister think that the province will have to get a greater percentage of its Capital requirements outside of Canada in the future, say over the next five year, than it has in the past five?

**MR. SCHROEDER:** Mr. Chairman, in the last five years our basic Canadian money has come from CPP in Alberta and, by far, the bulk of our money has come from outside of the country now that Alberta has shut down its lending operation for other Canadian provinces. That slack will probably be taken up at least in large measure outside the country.

**MR. RANSOM:** Mr. Chairman, it's my recollection that the Federal Government has, in the recent year or two at least, required in the range of 70-80 percent of

all the Capital that's available in Canada has gone to finance the Federal Government's requirements. The remainder has been left to provinces, I suppose to cities to some extent, and to the private sector. Rather a frightening prospect that the Federal Government should be consuming for its own purposes that proportion of the Capital that's available in Canada. Now the Minister has given us the bad news today that the Alberta Heritage Fund has dried up as far as provincial borrowing is concerned. I would guess that before very long there might not be that many funds available from Canada Pension Plan either, depending on the state of that fund. This would seem, Mr. Chairman, to indicate that we are going to have a very large borrowing requirement outside of the country and given that concern, I am wondering how the Minister of Finance can reconcile that with his government's position, that the value of the dollar should be allowed to fall and that interest rates should simply be lowered through an action of the Federal Government.

**MR. SCHROEDER:** Mr. Chairman, it is our view that if we would have done that at the time we suggested it should be done, and I might say that all other Canadian provinces are in the same boat. Just again - Nova Scotia, because I was looking at their Budget in the last few days - 14 percent of their provincial revenue goes towards servicing the debt, where in Manitoba that figure is somewhere around 4 percent and Nova Scotia also is one of those provinces that is looking outside of the country for the bulk of its borrowing.

The provinces said what they said and I emphasize that it was all of them, not just Manitoba; it was Quebec; it was Alberta; it was B.C. What they were saying was, there's a problem out there that is being to a large extent artificially created by the United States and we think that if we temporarily cut the value of the Canadian dollar - don't cut it, just don't support it for a little while; let her drop down for instance, which was one example given. Manitoba didn't say 75 cents and I don't think anyone from here has said that specifically; what we've said is, a slightly lower valued dollar would stimulate the Canadian economy.

At first there were a number of economists after that conference, when this proposal was made, who said that the provinces are wrong; that it's not going to work. Lately others have been saying, yes, it probably would work; there would be a slight increase in inflation, but there would be a substantial increase in business activity. There would be a reduction, of course, in interest rates and there would be a net benefit to the economy.

I suppose it's an arguable point, but what we were saying was that if you have a stronger economy, that in the long run you will have a stronger dollar. If you have a stronger dollar, in the long run maybe we're better off taking our shots in the short run, and it is true that we would have lost some exchange value on our dollar, in the short term. But in the long term we believe that we would have more than made up for that in increased activity and in the long run it had increased a strengthened dollar.

When the member mentions that the Federal Government's deficits have created a shortage of Canadian funds, I suppose one of the concerns we have right now is that the same thing is happening in

the United States where they're now talking in terms of a deficit of between \$100 and \$184 billion for this coming fiscal year and that certainly is also creating that same problem there, which obviously is a problem for borrowers, for us. We would prefer not to have that problem, but it's there and, of course, because of that we do have to look at alternative markets. I don't think there's any doubt that the American dollar, as compared to the Canadian dollar, historically, has been one that has been — well, it's gone up and down. It's gone from — I guess we've been up to about \$1.10 and down to 80 cents or a little below 80 cents, and some of the other currencies have gone much more drastically up and down. So, there is obviously more risk involved in dealing with other currencies at the same time — (Interjection) — that's because I'm sitting in his seat.

I think I was finished. The point is that when one would prefer to stay here because of problems in Canada with lack of funds, we can't. It appears that we may not be able to get all of our borrowing done in the United States and so we have to protect our position by looking elsewhere as well.

**MR. RANSOM:** Mr. Chairman, what reason does the Minister have to believe that the Canadian dollar would stop at 75 cents if the Central Bank stopped supporting the dollar and the bank was directed to lower its interest rates, say, by 2 percent?

**MR. SCHROEDER:** I don't say that if suddenly the Central Bank was directed to reduce interest rates by 2 percent and stop protecting the dollar, I have no idea where the dollar might end up. It might be at 78 cents; it might go all the way down to 75 cents, but I tend to doubt that. But the point is that there was no suggestion that the dollar not be supported at all. The question was, where? And the arguments put forth were that at the particular level that it is now at, we are living in some difficult times and there was some hope that maybe this would be a partial solution.

**MR. RANSOM:** Mr. Chairman, I can appreciate that everybody wants to find solutions to the problem, but I sometimes feel that perhaps people have been holding out some false hope for simple solutions to these problems and when the Minister says - I think he used the term 'hopefully' - the dollar would stop at 75 cents, I draw his attention that in 1976, I believe the Canadian dollar was up to \$1.03 and since that time, it's dropped down to 81, 82 cents.

I don't think that very many people in the country today would say that kind of a dramatic drop in the dollar has really substantially improved the position of Canadians relative to the position of people in the United States in terms of their standard of living for instance. In fact, I believe, the best information that is available to me is that there is very little reason to believe that the dollar would stop at 75 cents. Now if the Minister has some information that shows some sort of analytical work has been done to indicate that it would stop at 75 cents, then I would like to be made aware of that, Mr. Chairman.

He also said that he didn't believe that the dollar should simply be allowed to fall indefinitely, that at some point presumably the Central Bank is to step

back in and begin to support the dollar. I wonder, Mr. Chairman, if the Minister is at all familiar with the situation that surrounded what was colloquially termed the Diefendollar back in the 1960s when the dollar was falling and the government attempted to stop that fall.

**MR. SCHROEDER:** Yes, Mr. Chairman, I recall the Diefendollar. It was the Diefenbuck, the 92-½-cent dollar, but I was a teenager at the time and it seems to me that what we had then was a pegged dollar which was unpegged by Prime Minister Diefenbaker at the time. I wouldn't want to give an analysis of whether he should have done it or should not have done it, whether it was good, bad or indifferent, but I would say that in the last while the American dollar has strengthened against most other currencies. Of course, that means that if we sort of stay along with the American dollar that our dollar would strengthen to some extent as well against other currencies.

**MR. RANSOM:** Mr. Chairman, the Minister may have been a teenager at the time that it happened, but it is still relevant to the recommendation that his government is making today and that other governments are making. I would suggest to him that he take time to review the situation that occurred then and draw some of his own conclusions as to the ability of the government and the Central Bank to stop the slide on the dollar once it has begun, once the international market sees that the government doesn't care about the value of its dollar when they demonstrate that by artificially attempting to lower the interest rates and to stop supporting the dollar with their reserves of foreign exchange.

I think it's rather an instructive example to look at, especially for a government that is going to be anticipating very large borrowing requirements within the next year or two, or a government that has within the past few months, borrowed abroad both in American dollars and in Swiss francs. I think it is something that deserves more than simply a hope on the part of government that we try that and then we hope that things will level out.

I am wondering, Mr. Chairman, if the Minister has done any assessment of what a 70-cent Canadian dollar would mean to the Manitoba economy or perhaps even a 65-cent dollar, what that might mean to the Manitoba economy. Has any analytical work been done in terms of what it would do to exports, what it would do to jobs, what it would do to inflation?

**MR. SCHROEDER:** Mr. Chairman, as I indicated previously, there have been a couple of studies done. One of the business magazines recently indicated that, in fact, there would be a net benefit to precisely the proposal that the member was concerned about, the 75-cent dollar. But let me repeat, I didn't say that what we wanted was a 75-cent dollar. What I suggested was that we could have a somewhat lower dollar than where it is right now.

There is an indication from a business magazine that if — and there has been some analysis done on it — that if we did have the 75-cent dollar that we would have lower interest rates and more business activity. I believe there were hundreds of thousands more peo-

ple working in this country and as I said before, I believe, although in the short term there would be costs involved, in the long term the increased business activity and the strength of our dollar would be such as to benefit us, rather than to put us in a position where we would be in worse trouble than we were in when we started.

I at no time, suggested that it was somehow just hopefully that we wouldn't go beyond a certain level. We can, in fact, keep the dollar at a specific level if we wish to prop it up the way it is being propped up right now and has been over the last few months by the Central Bank and one presumes that is Federal Government policy.

While we are on that policy, we have been saying for a long time that the policy of keeping money growth in this country below the rate of inflation has, in fact, put this economy in a difficult position and the monetarist policies have been followed by the Federal Government, by the Bank of Canada since 1975 on the theory that somehow if you cut back on the supply of money, that then there would be less money chasing our goods and therefore that would cut back on inflation. It all sounded very good and as inflation increased, because people's costs increased, they increased the interest rates.

I think Professor Ruben Bellan has described it exceeding well when he talks about this being akin to what happened with the doctors in the 19th Century when they went to the patient, the patient was sick and they drew some blood out of the patient. If the patient was still sick, they drew some more blood out and if the patient died, they would decide that it was because they hadn't drawn enough blood out and that, I suggest, is what is happening with the monetarist policy of the Canadian and American Governments, that the high interest rate policies themselves are not only not putting our economy back on track, but they are indeed creating inflation.

When you have a healthy business that has to pay for its inventory as they were a couple of years ago, up to 24 percent, you have to have increased costs to the consumers; you have to have more inflation, rather than less. These are some of the problems that have resulted from that particular policy that was again initiated some seven years ago. There is no evidence that has worked. In fact, we have higher inflation now than we had in 1975 and we have a worsening economy.

I agree with the member that there are no easy solutions but I also would urge him to look at historical fact in the last seven years and say, do you really want this policy of tight money and high interest rates to continue when it has been so clearly demonstrated that it can't work? The member has in the past said, well, at least Reaganomics - and I recognize Reaganomics - is somewhat different in that there is also in that mix, the Americans have decided that along with the tight money policy, they should also decrease taxes, they talk about supply-side economics, they talked about if you cut back on production taxes then people are going to be doing more production because they don't have to pay taxes and that I suppose in theory sounds very good. One of the practical problems is that people also don't produce goods if they can't sell them and in today's market that is a difficulty.

So, I don't think that, based on the historical data we have available, that the suggestion made again by all the Premiers for a somewhat reduced Canadian dollar, and somebody mentioned 75 cents but we weren't talking about necessarily going that low, a somewhat reduced Canadian dollar, lower interest rates. Those policies together would have provided jobs, would have strengthened the economy. Now, maybe it wouldn't have. I don't think that any of us can say with certainty that it wouldn't have; I also believe that it would have.

**MR. RANSOM:** What is the Minister's present recommendation, Mr. Chairman? What would the Minister recommend as to where the Canadian dollar should be now, then what the interest rate would be and what effect that might have on inflation?

**MR. SCHROEDER:** Mr. Chairman, I don't know whether I would be prepared at this point to give a definitive statement as to the precise number of cents the Canadian dollar should be worth as compared to the American dollar. It seems to me that the proposal that we have made continuously in the last number of years, that the tight money policy should be reversed, is one that should be followed. It seems to me that the policy that we have suggested of lower interest rates is one that should be followed and if we lower the interest rates there will be some affect on the dollar and there will also be some affect on inflation. It will be an increase in inflation but there will also be an increase in employment. There will be some benefits that some business analysts are now agreeing with us would outweigh the bad points of that type of a program.

**MR. RANSOM:** Mr. Chairman, I wonder what the Minister thinks might happen to the current account balance of the country if our interest rates were forced down and the dollar was allowed to slide?

**MR. SCHROEDER:** The account balance would go down.

**MR. RANSOM:** I take it by that the Minister means that we would be in a worse financial position, the Current Accounts deficit would rise; that Canada would, in fact, have to bring more money in from abroad than it now does.

**MR. SCHROEDER:** Mr. Chairman, the biggest problem, and I've said this a number of times, is that it would cost more money in the short term to service our debt and our debt servicing costs are, as I said previously, in the range of 4 percent of our revenue in the province. Of course, it would have a bigger impact on the Federal - I shouldn't say that it would have a bigger impact on the Federal Government because I don't know where they get their money from but they pay 20 cents on the dollar for servicing their debt for their interest costs.

**MR. RANSOM:** Mr. Chairman, the normal thing to expect would be that if the interest rates were lower in Canada than they were elsewhere that we would expect to see a lot of money flow out of Canada. There

are many billions of dollars that can flow out of the country on the basis of a few hours notice. So, I'm wondering if the Minister would regard that as an important consideration, whether he would recommend to the Federal Government that they would have to put exchange controls in place or whether it's something that you simply would allow to happen?

**MR. SCHROEDER:** Well, Mr. Chairman, I suppose that gets down to the question of affecting people's rights, the right of people to move money out of the country or into the country but there are other rights too, the rights of people to continue to own their own homes or to purchase their own homes and when you have those competing rights governments have to make decisions and sometimes those decisions aren't necessarily popular. If I had a decision to make, which as the member knows we don't in this House, I would opt for the right of individuals to own their homes with decent interest rates, as opposed to the right of other individuals to move large sums of capital that they have earned in this country out of this country.

**MR. RANSOM:** I take it by that the Minister means that he would, in fact, favour exchange controls. Would the Minister anticipate any difficulty then in Manitoba, for instance, going abroad to get money for the very large Capital requirements that the province is going to have if Canada were to take the action of letting the dollar slide, forcing down the interest rates and putting on foreign exchange controls trying to stop Canadian money from going out? Does the Minister think that would have any impact on the ability of Manitoba then to borrow abroad?

**MR. SCHROEDER:** Mr. Chairman, various countries throughout the world have, on different occasions, had exchange controls. I don't believe there is any evidence that they've had difficulty as a result of exchange controls in obtaining foreign currency. In the last few years, just for example, I know that France has had exchange controls, Italy. I believe that other European countries have exchange controls or had them. I believe that the United States has had exchange controls. In fact, Canada has had exchange controls.

**MR. RANSOM:** Mr. Chairman, it's interesting that the Minister should use France as an example. It's my understanding that over the last few months the Swiss franc has devalued to where it's worth about 50 per cent of what it was before. I'd like the Minister to give me an example, if he can, of a nation that has been running a current account deficit in the range of \$9 billion-\$10 billion that has, at the same time, been able to put on foreign exchange controls successfully.

**MR. SCHROEDER:** Mr. Chairman, I don't have those details handy in a provincial Estimate review, but I would tell the member that for all his derogatory comments about France, that I have seen numerous business articles in the last few weeks indicating that France is the country that will have the strongest economic performance of all European countries in the 1980s and if that is the effect of exchange controls and a lower franc, then I think we should look at it.

**MR. RANSOM:** Mr. Chairman, I don't recall making derogatory statements about France. I sense the Minister has some sensitivity about being questioned in these areas. The reason I am asking him is that the province has been making recommendations to the Federal Government as to how they should be managing areas that are within their responsibility, interest rates and monetary policies, for example, and I simply want to satisfy myself whether or not the government really knows that it is talking about and has some reason to believe that their policies will work because I wouldn't want and I am sure you would not, Mr. Chairman, the public to be led to believe that there is a very simple solution to a very complex problem.

I don't plan to pursue the line of debate too much further, Mr. Chairman, but it does seem evident to me that the Minister doesn't really understand how the system works. I think he is travelling hopefully, rather than making recommendations on the basis of some sort of sound analysis of the situation that really exists. I can understand that we all would like to see interest rates lower and that we would like to see inflation lower.

I would ask the Minister to make a few comments if he would, Mr. Chairman, on things like what his views would be then of government deficits. He mentioned deficits as part of the picture that we've been facing, part of Reaganomics, I believe. He mentioned taxes that part of the Reaganomics approach was to lower taxes. I wonder what his views might be on that. I wonder what he thinks has happened to the economy since the Canadian dollar has slipped from, say, \$1.03 in 1976 down to 82 cents, approximately, now. What has that done to the real competitiveness of the Canadian economy? Has that served to make our industries more productive?

**MR. SCHROEDER:** Mr. Chairman, I suppose one could ask the reverse. Would the member want to go back right now under these circumstances at \$1.03 American? I think that if we did that, we would be in very, very serious trouble. One of the benefits of the lower dollar over the last few years has been a substantial increase in manufacturing jobs throughout this country. Those jobs would disappear with the \$1.03-dollar, if that dollar was put up there tomorrow. So, I wouldn't be jumping at that kind of a solution at all and, in fact, none of the 10 Premiers or even the Prime Minister thought that was a solution. Nobody suggested an increase in the value of the Canadian dollar at this time.

The member is talking about Reaganomics and mentioning the tax end of it. He is probably quite as well aware as I am that there are other components to Reaganomics. The components have to do with stealing from the poor and giving to the rich and I think that issue has to be addressed. The view that by cutting corporation taxes so that no corporation that has an accountant worth his salt pays any taxes; the view that people with hundreds of thousands of dollars of income, as long as they have good accountants shouldn't pay any taxes is one that is unfortunately prevalent in Washington today. As a result of that, you've had cutbacks in welfare programs; cutbacks in health programs; cutbacks in education programs; cutbacks in job programs. You can go through the

whole social system and see how the cuts have come. Those cuts have affected the poor, the weak, minorities, the women, the children of America.

The theory is that if you give the money to the rich, somehow it will trickle down to the poor and that is a theory that this government does not subscribe to. We believe, in fact, in the reverse, that if you are going to stimulate the economy you put the hands into the pockets of people who are going to spend the money, and who would be the first person to spend the money? It would be the poor. If you give those who are on the minimum wage some money in some way, they are not going to put that in the bank. They will spend it and put it very quickly into the economy. We can go through the list of people who will do that very, very quickly — (Interjection) — you were talking about Reaganomics and my view of the supply-side cuts and, of course, when you start talking about supply-side cuts, you also have to talk about who else gets cut. I mean, every time you have a winner, you have a loser and in that particular case, you have that group of losers.

In terms of deficits and surpluses I would agree, for instance, with the Minister of Finance of British Columbia when he says that he sees a difference between the purchase of land, the purchase of — basically, what he was saying is, families are expected to borrow for the purchase, say, of a home. That is a sensible type of approach. If you wait until you have the money while you are paying rent, you may never wind up getting a home. Families may, indeed, borrow to buy a car, but not always, and they try to stay away from borrowing for groceries, but when there are hard times, when the head of the household is unemployed, the family may indeed sometimes have to borrow for groceries. With governments I believe that Capital projects are of benefit, not only to those taxpayers who are in the province at a particular time, but to those who will come after. I don't see anything wrong with borrowing for Capital requirements, and there's a question as to exactly what is Capital and what is Current. The member made some, I think, valid points with respect to the old system of Capital vs Current in the province, where there was real question as to, in fact, whether what you had, in certain instances, was really Capital money, or whether it was Current money and you could flip it back and forth in departments. I wasn't around then but certainly his argument convinced me that system would require some looking into.

In terms of Current account deficits, I would prefer obviously not to get into them, just like families would prefer not to borrow money to buy groceries, but I would rather not have the economy crumble. I'd rather borrow for groceries in time of need than be put in a position where I see the economy collapsing because of what one hopes is a short-term downturn in the national economy.

**MR. RANSOM:** Mr. Chairman, would the Minister then see the time when he would, in fact, want to balance the Budget at all, under any circumstances.

**MR. SCHROEDER:** If he's talking about Capital, I would see a mature economy where you have all of your improvements in place, where you don't have to

go out and build Capital projects. I could see that kind of an economy having a balanced Budget. I would hope that we would, as often as not, be balanced on Current, depending on the times. But I, quite frankly, don't foresee a government in this province balancing the books when it comes to both Current and Capital, if we are going to be developing our resources in the way that we should be.

**MR. RANSOM:** Does the Minister see anytime, say in the next five years, when the Budget might be balanced even on Current.

**MR. SCHROEDER:** I would like to have it balanced on Current, I'm not positive that it will be, but I wouldn't say that it won't be.

**MR. RANSOM:** I know that we hope to have that, Mr. Chairman, I'm wondering if there are any projections; whether the Minister is putting a sort of information system in place that would allow him to project what the situation might be in three years, or five years from now, or is he proceeding largely on a year-to-year basis?

**MR. SCHROEDER:** Mr. Chairman, right now I don't want to kid the member and pretend that I somehow know what the economy of the country is going to be like five years from now, let alone next year. We've had advice from professionals in economic matters that indicates there's a belief out there. Last fall the belief was that the corner was going to be turned in June of 1982. They didn't say June 3rd in the afternoon, but they said sort of well in the springtime of '82 and then they moved back to the fall of '82. The member will recall many American politicians certainly believed that. I haven't heard that argument used anymore, I think there were some daring people in December were saying, no, we're not going to move anywhere until later on into '82 and then it wound up into '83 and now people are telling us they expect an upturn in the economy in '83; people who have been right in the past, I'm sure people who have been wrong in the past. All I can say is that I do hope that they are right.

**MR. CHAIRMAN:** Committee come to order. The time being 4:30, it's time for Private Members' Hour, therefore I'm interrupting the proceedings and will return at the call of the House.  
Call in the Speaker.

## IN SESSION

### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** Order please. The time being 4:30, Private Members' Hour.

The first item on the agenda this afternoon is the proposed amendment by the Honourable Member for Roblin-Russell, as amended by the Honourable Member for Gimli.

The Honourable Member for Radisson has 10 minutes remaining.

### RES. NO. 2 - COMPULSORY METRIC SYSTEM

**MR. GERARD LECUYER (Radisson):** Thank you, Mr.

Speaker. I find it somewhat difficult to follow through with the train of thought on this topic, so much time having elapsed since we were last discussing this Resolution on metric, as it was amended. But, Mr. Speaker, inasmuch as I can, to get back to this Resolution, as it now is amended, I'd like to refer to what some members on the other side have questioned, why we've chosen to amend this Resolution. Those members of the Opposition who have spoken on this amendment seem to be hesitant to give their support. I think, Mr. Speaker, the explanation for this amendment is actually quite simple and it has already been alluded to by the numerous speakers who have gone on before me and before I conclude my remarks on this topic I wish to review some of the reasons.

Firstly, metric conversion was adopted more than 10 years ago as a standard system of weights and measurements for Canada. This was done in keeping with a decision made by most countries of the world which represent in actual fact some 90 percent of the world's population. Furthermore, metric conversion is an accomplished fact or nearly an accomplished fact in more than 150 countries. So, it would make no sense to attempt to adopt a moratorium simply because our neighbors to the south have chosen to delay full implementation at home. I don't think it would be wise for us to automatically jump on their band wagon in this regard. As most everybody would readily recognize, metric conversion in Canada is in many sectors already complete and in other sectors partly completed - a factor which was admitted the other day when the Member for Morris spoke.

Indeed, in some areas, as for instance in the field of science and medicine, this has gone on way before 1971. In most sectors of manufacturing, the transformation to metric is now complete, admittedly at some cost and in certain instances at some fairly hefty costs. Sometimes because the Federal Government put undue pressure and contrary, I might add, to the principles contained in the White Paper and that is the very reason why we added this amendment that would require the Federal Government to adhere a lot more closely to the principles which were agreed upon by all parties in the Government of Canada when this White Paper was adopted. But the fact remains that most of the manufacturing sector has also already benefited in many ways by enabling them to refine and to simplify and to make more efficient their operations and to reduce their inventories.

Furthermore, in many instances, it has forced them to replace outdated tools and machinery with new sophisticated technology. I believe that this process of modernization will enable Canadian industry to be in a better position to produce more efficiently, cutting costs and place it in a more competitive position on world markets and indeed, vis-a-vis our American competitors. Manufacturing industries who have converted admit that their short-term costs are already showing immediate and definite long-term gains.

We're all familiar with difficult times being endured by the North American automobile industry. It has not modernized, it has not adapted and was not ready to meet the demand for small energy-conserving cars. Perhaps, this is the opportunity to modernize and be in a better position to compete on world markets at the same time. I know metric conversion alone won't

do it and it does involve costs, but it is one of the factors which has enabled Japan to compete successfully, not only the North American continent but also on the European market and the huge and growing market which is developing in underdeveloped countries.

I don't like some of Ottawa's pressure tactics any more than the members across, but to advocate a 10 to 15 year delay would be tantamount to advocate more years of confusion. It's a regressive step that would immediately and inevitably make us lose many economic opportunities while we wait for others to pick them up or while we wait for the U.S. to outbid us. That is why the NDP like the Conservatives have strongly criticized the Federal Government for digressing from the White Paper. This amended Resolution is exactly what the both the Federal Opposition parties have been pressing the Federal Government to live by. I, for one, would fail to understand why the members from the Opposition cannot support this resolution. As I stated before, even the Canadian Cattlemen's Association, one of the bastions of small "c" conservatism voted in 1979 to adopt metric conversion.

Continued opposition on this Resolution would lead me to believe that the Opposition still links the metric system with (a) the French, and (b) the devil, and though this system is being used by some 150 countries in the world, I remind you this has nothing to do with the French Canadians nor does it have any religious significance whatsoever. To continue to believe otherwise would mean to grasp at straws. After all, we're all used to using our Canadian monetary system. All of us know that there are 10 pennies in a dime, there are 10 dimes in a dollar. We've been using the metric system in many many countless ways already. We've converted even mentally in many aspects.

In many spheres or many sectors, this is an accomplished fact. Much of the money that would be required to make it a completed fact has been spent the way things now stand and to stop for 10 years would be to have either dual systems, dual tools and machineries and weighing scales, spending additional money and creating additional confusion in the minds of the people. Therefore, I urge you all to vote for this Resolution.

Thank you very much.

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

**MR. ENNS:** Mr. Speaker, I suppose the one line that the honourable member stated just a few moments ago says it all in a nutshell, which prompted this Resolution on our part and which also underlines, I believe, the lack of sincerity in the part of the amendment that's been put forward by the other side. When he says - and I believe I'm paraphrasing him correctly - simply because our neighbors to the south are not doing it, why should we be stopped from rushing in at the pace that we're going? Well, Mr. Speaker, it's not simply because a neighbor to the south, it's simply because of the neighbor that it is, that is of concern to growing numbers of Canadians. It happens to be a neighbor that we daily trade with; that we do most of our business with. So, it's not a matter of simply

because, it's the kind of remark I must unfortunately say that it is perhaps understandable coming from a person who deals with it only in an academic way, who does not have to face the immediate financial outlays of a business person, of a farmer, of a small grocer, of anybody that is coming under the very harsh and unfeeling arbitrary carrying out of the law and the meeting of arbitrary date lines as we are experiencing across this country right now.

You know, Mr. Speaker, if all I had to change was maybe pick up a metric converter or be prepared to have my rulers at school, or my paper measurements at school, or my scribblers, or my other items and matters that a teacher uses in his vocation, then perhaps I would have a similar lack of concern or lack of understanding for the genuine problems that this is creating.

So, Mr. Speaker, the Resolution as originally put forward by my colleague simply acknowledges what thousands and thousands of Canadians have been telling their governments particularly in the last several years where the basic tenets of the White Paper are being abused and members opposite have acknowledged that.

The mover of the amendment, the speaker that just spoke last, indicated it — at least I certainly take his marks as such — that there are concerns that he is prepared to acknowledge about the manner and way in which the Federal Government is carrying on the metrification program that seem to fly in the face of the White Paper amendments, the White Paper that he supports.

Mr. Speaker, I mentioned that I have to question the sincerity of the honourable members opposite in proposing the amendment to the Resolution because unless somebody tells me differently, it is the White Paper that we are currently operating under. The fact that it has been ignored; the fact that the tenets of the White Paper have been ignored doesn't change a great deal. It simply tells you the attitude of the Federal Liberal Party in government supported by the New Democrats about how they regard the White Paper and its basic tenets. It seems to me there's something lacking in sincerity on the part of members opposite to now pull out the White Paper and say, this is what should be guiding us.

Mr. Speaker, the honourable member speaks briefly about cost and again, cost I suppose is entirely viewed from one's perspective. It is the kind of cost that the Canadian nation and Canadian consumers are facing that first of all, are not spelled out. We only get to hear of the notable cost increases when they make the public news media and are widely reported.

But, Mr. Speaker, what is happening in Canada as a result of the kind of blind rush into programs of this kind without taking into consideration the costs that have added so considerably, along with other programs, the costs of doing business, the costs of consumer goods, the costs of doing so many things in this country have raised them and continue to raise them considerably higher than our major trading partners in this world.

Mr. Speaker, I remember a few years ago, a local petroleum distributor was caught, can you imagine, with some 15,000 gallons of antifreeze in his warehouse without the appropriate labeling. This time it

happened to be they weren't in French and English. So, Mr. Speaker, the whole portion of the Federal Government descended upon this poor individual, seized his stock, the cans had to be relabeled. Can you imagine the stock now? It did nothing to improve the quality of the product. It was antifreeze in this particular instance. It had absolutely nothing to do with its acceptability in terms of having the product being able to be sold in this province, but it was in this case another regulation, a labeling legislation that had to be adhered to and that cost passed on to the consumer, undoubtedly.

So we have a labeling legislation. We pay people in this country, civil servants, in most instances it's federal civil servants, that have nothing else to do but run around the grocery shelves in the stores to make sure that the goods are properly labeled and that's not good enough, that there is an appropriate share of the labels being viewed, in this case again, in the two official languages, that there aren't 15 cans of Libby's beans shown with the label in English and only 14 cans shown in French. We pay the Civil Service a lot of money to make sure they come around and turn one of those cans around, so it's 15-15. Then, of course, if we get some exuberant civil servant carrying out his responsibility, he makes sure they are all labeled in one language or the other, depending on his particular prejudice.

That, Mr. Speaker, is the kind of nonsense that we are involved in and that is the kind of nonsense that is adding daily to the costs. The most recent example, Mr. Speaker, as was raised in the Chamber by my leader about two or three prosecutions taking place in this country now because a merchant had the audacity to advertise carpet, floor covering, in square yards. My understanding is, he was also advertising them in metric, but he also had the utter audacity of advertising them in square yards. We are entering into full scale federal prosecution with all the attendant costs to bring that errant merchant back in line.

Mr. Speaker, you know what really bothers me about these matters and I appreciate that there has been unanimous decisions made by all our colleagues in the Federal House with respect to the metrification matter that is before us and I listen to it. In fact, I dug up — I don't have them with me here, I didn't appreciate it — but I listened to the Minister and in fact, I heard a repeat of the tape of the Federal Minister then introducing the Metric Bill, it was the Honourable Monsieur Marchand that introduced the bill in 1972, I believe.

Mr. Speaker, he stood in the House of Commons and reiterated all those fine tenets that are to be found in the White Paper, that the government in introducing this measure and indeed in seeking and getting the support — all parties support in the House — gave the assurances and it's there for the public record to be seen and to be read: That the government would not impose arbitrary date lines; that the government would not impose harsh fines, prosecutions; that it would take its time; that it would essentially be a voluntary transition to the metric system, expressing a desirability — which I don't argue with, neither by the way does this Resolution argue with it — the fundamental or the basic decision to eventually move into a metric system. But, Mr. Speaker, where are

those promises by the Minister who is responsible for getting that unanimous support from the New Democrats, from the Conservatives, from his own Liberal backbench, where are those promises that he made when he introduced the Bill, that arbitrary dates would not be used.

Mr. Speaker, it's that kind of abuse of general and broad legislation that is occurring far too frequently in Canada, a most recent example having been thwarted, to some degree, with the Omnibus Energy Bill that was introduced just a little while ago, which delayed the matters in the House of Commons for a considerable period of time, when the then Opposition had the guts to, at least in that instance, simply play a stalling game admittedly and hold up the business of the nation. But because they had learned how the present government, Federal Government, is prepared to use general legislation in very specific ways a few years later. It's that kind of action on the part of the government that has so many Canadian, Manitoban's genuinely confused. They ask us, as I'm sure they've asked most honourable members opposite, when did we get a chance to vote on that, when did we get a chance to express our opinion on the kinds of fines, or the dates, or the deadlines that were supposed to be imposed. Well of course the answer is never.

Then of course the other reminder is to some of us, particularly those of us who are taking the kind of attitude that we now take by presenting this resolution and are expressing concern about the mindless head-on rush into metrification. Well but your party supported this in the House of Commons, you were part of the problem. Well technically honourable members remind us of it and I say, and I have a tendency of including the same thing with respect to the implementation of the Official Languages Act, the Bilingual Act, which again was supported by all parties in the Federal House and which all parties continue to support. But we have and we will continue to see examples in both, where the implementation leaves a great deal to be desired.

Now I want to come back to the metric thing because that is the issue before us. There is no reason, unlike the greater reason in the bilingual question in this country, there's no similar reason in terms of nation building for us to treat the two the same way. I think the Honourable Member for St. Boniface agrees with me on that. So why can we not then look at it in a more pragmatic way, in a businesslike way in terms of the costs that it's imposing on consumers.

Mr. Speaker, I believe that the general Bill calling for metrification that was passed in 1972 envisioned a far more gentle, a far more volunteering way of introducing the metric system into Canada and, indeed, envisioned the possibility that in some instance, in some particular areas, metrification need never be introduced because it simply doesn't make common sense. You know the metrification that is taking place in Great Britain has, in many instances, gone far and beyond what we're at but there are countless situation and countless different areas where the Imperial system is still being used simply because it doesn't make a difference.

So why would we want to give a Federal Government that has demonstrated in so many other instances its lack of sensitivity in appreciating these kind of

concerns on the part of its citizens, the kind of encouragement that is contained in the amendment to this resolution by members opposite. In effect, what the amendment says is just carry on doing what you've been doing because supposedly the White Paper is before them. Well if the honourable members can't support the resolution as it stood, and if they agree that the tenets of the basic White Paper are being abused daily by the current government, then why do they lend support to furtherance of that kind of action on the part of this Federal Government. Why not join us in a simple declaration as presented by the Honourable Member for Roblin-Russell that acknowledges thousands, 52,000 Canadians petitioned the Government of Canada in 1981; some 127,000 signatures were added in 1982 requesting the government to implement this system over a longer period of time. That's all they're asking, over a longer period of time.

Well we won't get into the percentages games because those figures can be used, and percentages can be used to bolster any argument from either side, whatever position the particular speaker happens to be taking. But I feel very strongly that far too many everyday citizens in this Province of Manitoba who have on many occasions shown a frustration, a disappointment in how their governments work, whether they're provincial or federal. Part of the reason is, a big part of the reason is, because on issues such as the metric question there seems to be so little that everyday people can do about it. Even if the intentions were spelled out and the White Paper, if their intentions were spelled out somewhat differently in the original Bill that was passed were one thing, we're now in 1982 and we are facing a substantial problem with the metrification brought on by undue haste.

I ask which members opposite are really prepared to force a small grocer in Woodlands, Manitoba as they are, or at Red Sucker Lake, to invest in \$3,000 or \$4,000. to metrify his scale when perhaps the total income earned by that store doesn't equate that figure. Why is it important, why is it important, why force it, Mr. Speaker?

I believe the only way we can somehow slow down the Federal Government to stop this kind of nonsense about hiring people to prosecute these minor infractions of the technical nature of the law. People whose houses and whose rooms are measured in square feet, and they can remember them because that's the way they built them, tend to want to cover them in square yards, it's easier for them to figure it out. What difference does it make, what difference does it make to our foreign trade? What difference does it make to who we're doing business with? Well it would have to be demonstrated to me, it would have to be demonstrated to me by somebody that's in the business. Obviously this carpet seller that was selling the carpet felt it was advantageous for him to advertise it that way. I'll take his word a lot sooner than I'll take his word, not because he isn't an honourable man, not because he hasn't got some reasonably good thoughts in his head but, this man's livelihood's at stake, his isn't. This man has to pay his taxes, and has to pay his employees, that man doesn't. That's precisely where it's at and that's what is being lost by the people, the proponents, they face these bureaucrats that are firing civil servants, because they dare



to speak against it. They are multiplying their own little empire in making sure that there will be not hundreds, but thousands of bureaucrats that will be scurrying around the country, to ensure that kilograms are properly — meat is properly labelled; that carpets are properly labelled and sold by the metric form, other than square yards and to me it's such a colossal waste of time. Such a sapping of our time and energy and at such a cost, that members sluff off far too lightly, far too lightly.

At a time when our jobs are — our job creation rate is dwindling, our employers are finding it more and more difficult for a host of reasons to carry on business. This is just another one. This is just another one, but if we don't pay attention to the little bricks that finally bring down a business, we are reading about the failures as they fail everyday in our newspapers.

**MR. SPEAKER:** The Honourable Member for Roblin-Russell will be closing debate.

**MR. McKENZIE:** No I'm speaking on the amendment, Sir.

**MR. SPEAKER:** The motion as amended is before the House. If the honourable member wishes to speak to it, he will be closing debate.

The Honourable Member for Roblin-Russell.

**MR. McKENZIE:** Well, Mr. Speaker, I'm solely disappointed that the members of the Opposition, or the government benches couldn't support my resolution and I think it's rather a sad day for Manitoba, because, Mr. Speaker, I wonder if any of the members opposite read the regulations that are being imposed by the Metric Commission on the business community of not only Manitoba, but Canada at this time and I'll read it into the record.

It says, Mr. Speaker, "The punishment on summary conditions of fine, if not exceeding \$1,000 for a corporation that's guilty of an offence under this Act, any officer, director or attendant of the corporation so directed, authorized, assented to, acting or participating in the commission of the offence, is a party and is guilty of the offence and is liable on conviction to the punishment for the offence, whether or not the corporation has been prosecuted, or convicted or not."

Now that's a pretty, heavy handed package, Mr. Speaker, to be handed down to especially the business community in Canada today, and the members opposite stand up and support that kind of heavy handed, Federal bureaucratic weight on our industry and it seems to me, that it's a move that militates against the free will of the business community of Canada and this province.

It seems to me it militates against the wishes of the individuals in this country and, Mr. Speaker, I asked a simple question to members opposite right away. Who are the ones that's gaining the benefits out of this White Paper. Who are they? He says they all are. I just can't find anybody that I speak to, who tells me that it's put any money in their pocket at all. Not one cent.

Mr. Speaker, I talked to several business communities in the last couple of weeks, and we went over the fact that our American partners to the south, who 85 percent of the foreign trade in this country, we do it

with either the United States or Great Britain, and when our trade was done with countries such as this, it seems to me that it would be very ridiculous to put ourselves in a position where we're using different systems of scales and different systems of measures.

Whoever thought of, you know, in this crazy world that we're living in today, here is our American neighbours to the south, using one type of measure and one type of scale, our trading partners everyday of the week and we come up and they've got to convert and we convert back and forth, Mr. Speaker.

I think Mr. Speaker, that we should, as I said in my resolution, move with the United States as in their travel towards a metric system, possibly in some 20 years, and possibly assume the metric system whenever they arrive at the decision to make it.

Whether we like it or not, we are living in a continental economy in this province, Mr. Speaker, we're living in a continental economy in Canada. There's no way we can isolate ourselves from our American friends and survive, Mr. Speaker, and that border that exists between Canada and the United States, while certainly it's an imaginary line, there's no physical line drawn across that border, no fence that says we can't go over there, or they can't come over here. There's no chain of mountains inbetween us that isolates us, such as the members opposite would like to see us isolated from their friends down there, Mr. Reagan. And possibly, Mr. Speaker, I think that we have to recognize the fact, in dealing with this resolution, that we can't survive in this province, nor in Canada, unless we recognize that we are enjoying a continental economy in this North American economy.

What bothers me, Mr. Speaker, about this mandatory metric system that's being imposed on the country today, is that when the system is being imposed upon us, it'll be illegal to even convert from one system to another. That's illegal today; to convert from metric to imperial, or imperial to metric. Could you believe, Mr. Speaker, that's what's going on in our country today, but that's the way it is, and that's what our friends opposite support, Mr. Speaker.

I think the retail grocery markets in Ontario, in the survey that was done there, spelled it out loud and clear. A six month pilot project was carried out in Peterborough and Sherbrooke and after the six month trial period, what did the people say, Mr. Speaker. Did they say they wanted to continue the metric measure? No way. No way, they didn't want any part of it, Mr. Speaker.

So then what happened, Mr. Speaker, these mandarins or these bureaucrats that's running the metric commission, they were infuriated when they saw the polls that come out of Peterborough and Sherbrooke, so they said, "We'll shut those people up. We'll shut them up real quick. We'll go in the backroom and we'll pass these regulations," which they did and they're passed by Order in Council and that's what we're living with in this country and in Manitoba today and the members opposite think it's a wonderful thing. That militates against the free will of the people; it militates against the individuals; it militates against the business community and who benefits from it, Mr. Speaker.

Mr. Speaker, there's other things that concern me about this system that's being imposed upon the peo-

ple. When the next size change takes place, like it did in Ontario with the milk; when they converted the milk in Ontario and I'm using Ontario's statistics, which are the only ones that are available to me. When they converted the milk in Ontario from the one quart and the two quart size to the litres, the cost, I'm told was some \$55 to \$65 million, just to convert. Now they have to convert to the four litre size, as opposed to the three quart size, Mr. Speaker, and the cost for that, they're talking at least the figures they're giving in out in Ontario, it's another \$55 to \$65 million, just to convert from one type of a carton of milk to the other. Who's paying that, Mr. Speaker?

The consumers are paying right through the nose and the members opposite believe that's a good system and they should support it, and that the metric system is bringing all these benefits to the people of Ontario and this province, Mr. Speaker. I don't tolerate it at all; I think it's very unfair and it's uncalled for and it wasn't asked for by the people of this country, Mr. Speaker.

I think also, Mr. Speaker, that the Metric Commission have shown themselves to be completely unaware or unconcerned about the opinions of the people in this province because poll after poll that I've seen has been conducted, the metric system comes out the loser every time.

I suppose that possibly indicates the sum of the restraints that are being put on us by the Government of Canada at this time, but it is an interesting thing that over half the Commission — and I think there are 35 on this Commission — as near as I can figure out, they are all engineers that are on the Metric Commission. They are all engineers and, naturally, they deal with the metric system almost every day. They are not concerned about the little grocer down at the corner who is having problems with his scale. They don't know even know that he has a problem. Naturally they are familiar with the metric system and the operation of the metric system. I think sometimes, Mr. Speaker, that this is another classic example where the little guy on the street gets caught up with the professional background of somebody that forgot there are other people in this society and there are other people in this province and other people in this country who don't enjoy that life or weren't educated that way and can't communicate through that system.

I do think that anything that is imposed in a mandatory manner such as this, Mr. Speaker, smacks of dictatorial attitudes towards the people of this country and this province. I think that the Federal Government has to be told in no uncertain terms that this province and the people in this province are opposed to the type of dictatorship that is being imposed upon us by the implementation of the White Paper on the metric system, Mr. Speaker.

Somebody said to me the other day, Mr. Speaker, it is simply another step along the road to the dictatorial high-handed attitudes that the Trudeau administration have been using for the last several years in this country. I think there are a lot of people will support that statement.

I am really pleased however, Mr. Speaker, in the Resolution that the members on my side of the bench have lined up and support me in the position that I have taken in this Resolution.

Mr. Speaker, compulsory conversion to metric, I have yet to see a merchant in my constituency that is pleased with it. Have the members opposite polled their merchants in their constituencies and found out how many of them are pleased, or how many of them are having hardships with it, or what it's costing them? One merchant told me it cost him \$8,000 to change over his scales in his store, \$8,000.00. It never brought any new customers in. In fact, he said he lost some customers over this shiny new metric scale where — (Interjection) — well, Mr. Speaker, the total estimate cost that was given to me the other day, just the scales alone across Canada is \$500 million, just to convert the scales. In this time of high interest rates and depressed markets and the consumers of Canada, Mr. Speaker, are tagged with another \$500 million and they are the ones that pay and the members opposite think that's fair ball and that should be allowed.

Mr. Speaker, another interest, I was talking to a lady the other day in a parking lot. She was telling me she was thinking of trading in her car. So I asked her how many miles she had on her car. She said, well, there are 10,000 on there, I think it's Celsius. That's how the problem was related to me. People, such as my constituent, — (Interjection) — certainly, naturally, but there is the difficulty. I certainly associate myself. Of course, the retailers tell me the consumers that are buying across the counter are blaming them for the problem. They are blaming them for the fact that you can't get a hamburger in metric that fits into the housewives' scale, so they are blaming the merchants, Mr. Speaker. — (Interjection) —

Mr. Speaker, the other thing that has been drawn to my attention by many people is the tourist industry that this province has enjoyed from our American friends for so long and they are going to have to come up here now and bring their converting equipment with them, walk into these grocery stores and try to find out how we are selling the goods and services across the counter. They likely will come into the metric system some 20 years down the road or I said in my Resolution, I think, from seven to 20. What is all the hurry about us moving until they move? Can the Member for Ste. Rose, the Honourable Minister, advise if it's going to help any of the people in his constituency if we plug along and we get metric system in this country before our American counterparts? Certainly it's not, Mr. Speaker.

Mr. Speaker, I am satisfied that metric of any kind will never add any productivity to the grocery, the food business in our stores. — (Interjection) — It's interesting. We lived with the two systems for 100 years. We lived with the metric and the imperial system for 100 years and everybody got along fine. There was no problems in this country. Why do we have to go this route? Is there any special reason? Are we going to gain some new trading partners? Are we going to gain some new markets? Nobody has shown me yet that we have. Consumers have lived with the two systems for, as I said, 100 years and why all the changes that the members opposite want to join on the bandwagon with our Federal Liberals?

So, Mr. Speaker, in closing I am very disappointed that the New Democratic Party in this province could not stand up and support my Resolution and have seen fit to amend it and still honestly believe that the

metric system, mandatory, imposing it on the consumers and the business community of this province and across Canada is the right way to go and they stand up and support the Federal Government in its uncalled for tactics today, beating down the little guy selling the carpet. They believe that's the way that this country should go. So very quickly I close, Mr. Speaker, in regret, that they could not see themselves standing up and supporting my position on this matter.

**MR. SPEAKER:** Order please. The question before the House is Resolution No. 2, proposed by the Honourable Member for Roblin-Russell, as amended by the Honourable Member for Gimli.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** The next Resolution on the list — the Honourable Government House Leader.

**MR. PENNER:** Yes, may I suggest that we call it 5:30, Sir?

**MR. SPEAKER:** The Chair will accept the motion to adjourn the House.

**MR. PENNER:** I would move, Mr. Speaker, seconded by the Honourable Minister of Health that we call it 5:30 and this House do now stand adjourned until 2:00 p.m. tomorrow afternoon; the understanding being that the Committees will be meeting this evening.

**MOTION presented and carried** and the House adjourned and stands adjourned until 2:00 p.m. tomorrow afternoon (Wednesday)