

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 19 August, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

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

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, the Committee of Supply has considered certain resolutions, directs me to report the same and asks leave to sit again.

Madam Speaker, I move, seconded by the Member for Lac du Bonnet, that the Report of the Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, I'd like to table the University of Winnipeg Financial Statements for the year ended March 31, 1986.

MADAM SPEAKER: I'm pleased to table for the House the Annual Report of the Office of the Ombudsman for the year ending 1985.

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

ORAL QUESTIONS

MTS - judicial inquiry re MTX

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, my question is for the Premier. Yesterday I asked the Premier in question period, who would be responsible for investigating the matter of the Minister, having been misinformed with respect to the nature of the kickback or the origin of the kickback that was admitted to by Mr. Provencher in committee last week, to which he replied Madam Speaker, first, I think it would have to be established that there was misinforming.

Madam Speaker, in view of the fact that on Tuesday, August 12 in the morning sitting of the Committee of Natural Resources and Public Utilities, Mr. Provencher was quoted as saying: "I am aware of one payment. I found that when I was reviewing the accounts of Saudi Arabia Datacom Ltd., I believe it was about a year ago,

we discussed it at the board and reaffirmed with our partners that unwarranted payments are not allowed and re-emphasized that we do have a code of conduct in MTX Telecom Services and that the joint venture must comply with the MTX code of conduct.

Later that very afternoon in question period the Minister responsible said, I quote: "I was advised in respect to the allegation of kickback in Saudi Arabia that it was a matter that occurred between a Saudi Arabian and his company, a fully-owned company of Sheik Al Bassan, the Al Bassan International. Madam Speaker, accordingly, it wasn't a matter that involved the joint venture, to my knowledge, nor did it involve a matter over which we had jurisdiction."

Will the Premier now acknowledge that Ministers, the media, and members of the Legislature have been misinformed by MTX officials? I won't even refer to other matters that are on the record about the flogging, the return of the equipment from Saudi Arabia, the employment of Theresa Aysan, all those matters of misinformation.

Will he now acknowledge that indeed all this misinformation took place by MTX officials and that now he should call a public inquiry with powers of subpoena to get to the bottom of all of the corporate corruption at MTX and its related companies?

HON. H. PAWLEY: Madam Speaker, I appreciate the first part of the question because it does raise matters pertaining to a question and an answer in the committee, as well as in the House. I noted those comments in discussion with the Minister this morning. I think, in fairness, and I accept the Minister's explanation, the Minister can very properly explain that particular area.

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, as I indicated in response to questions in this matter, I was advised by Mr. Provencher at a briefing meeting of an incident involving; an unauthorized payment, an unauthorized payment that did not involve an employee of either MTX or Saudi Arabia Datacom Ltd., or SADL, the joint venture company. He made that very clear to me. I have re-read his answer given to the committee and that is still consistent.

I have received a further report in writing from Mr. Provencher confirming that what he had told me earlier is still correct, that there was no payment to anyone who was involved in the SADL operation or the MTX operation. That is a matter for the record.

While I have the floor for a moment, Madam Speaker, I would like to table a copy of the terms of reference of the management audit of MTX. I am pleased to announce that the firm of Coopers and Lybrand Consulting Group has been appointed. Mr. Geoff McKenzie of that group will be heading the study and I would like to refer briefly to some of the terms of reference, a copy of which I will table right now.

The terms of reference, Madam Speaker, include a review and assessment of all relevant operations of MTX in Saudi Arabia and all relevant business interrelations between SADL and Al Bassan International.

It will also assess the ability of MTX and SADL to operate in Saudi Arabia in full compliance with human rights legislation and the code of conduct for Manitoba Crown corporations. If the operations are determined to be viable in these circumstances, to recommend measures to strengthen performance. If the operations are determined not to be viable in these circumstances, to recommend a plan of action for disengagement to minimize financial loss.

To review and assess MTX's investment in Cezar Industries to determine the soundness of this investment and the most appropriate course of action.

Review and assess all other MTX joint ventures, investments and contracts.

Review and assess the adequacy and accuracy of management and operations information provided to the Winnipeg headquarters, to the MTX Board, to the MTS Board and to the government.

Review and assess compliance with the stated policy of no cross-subsidization from MTS to MTX, and measures to ensure that such cross-subsidization does not occur.

Investigate and record on all non-criminal matters pertinent to the management and performance of MTX raised in the Affidavit of Ian Ferguson of August 7, 1986 and any other relevant matters which may be raised by other interested parties in the course of this review.

Cooperate with and assist the RCMP investigation of criminal matters.

Report on any information which may arise in the course of this review related to the provision of inaccurate, incomplete or misleading information to, or the withholding of information from the MTX or MTS Boards or the government.

Madam Speaker, I have read from part of the terms of reference. There are other sections that I have not read that members can read at their pleasure.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, with the greatest of respect, it isn't good enough, because that doesn't cover the opportunity for witnesses to be subpoenaed under oath. We have so many instances on the record. Madam Speaker, that was clearly a Ministerial Statement. It was clearly a Ministerial Statement. You allowed it, Madam Speaker, and I believe I should have an opportunity to respond.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, it was a response to an answer . . .

MR. G. FILMON: It was not.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Order please.

May I hear the advice from the Honourable Government House Leader.

The Honourable Government House Leader.

HON. J. COWAN: If the Leader of the Opposition will reflect upon his own questions yesterday, he will truly remember that he asked several questions as to what would be dealt with by the management study, what would be dealt with by the RCM Police study, and what would not be dealt with by those two.

The terms of reference very clearly . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Order please. Order please.

The Honourable Minister.

HON. J. COWAN: He will recall that he asked those specific questions . . .

MR. G. FILMON: None of them were taken as notice.

MADAM SPEAKER: Order.

If the honourable members want to comment on the point of order, they can do so in good time, I now would like to hear this honourable member's comments.

HON. J. COWAN: It's interesting, the members opposite through this whole incident have wanted, not only to ask the questions, but to give the answers, and that is not the way this House, this committee or this government operates.

MR. D. ORCHARD: What's going on here?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Order please.

On the point of order, the Honourable Government House Leader.

HON. J. COWAN: Regarding the point of order, the Leader of the Opposition suggests that because the questions were not taken as notice, or because the questions were addressed to the Premier and not to the Minister responsible, that the Minister responsible does not have a responsibility to report back as to the answers of those questions.

The answer which he gave in response to the questions yesterday, and today, clearly identifies the responsibilities of the consultants in the management consultant study, the management consultant audit, and it answers many of the questions which the Leader of the Opposition posed yesterday.

If he doesn't want answers to those questions, if he just wants to build strawmen all over the place and tear them down, then perhaps he shouldn't ask the questions in the House; but if he truly wants information and a factual and responsible response . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Now I know the moon is full, but that's no reason that we should be conducting this

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business in a disorderly fashion. Could I please hear the honourable member and if any other members want to comment on the point of order - it is very difficult to hear whether a member is speaking on the point of order when everyone is hollering. Now, order.

The Honourable Minister.

HON. J. COWAN: Quite often in this House a member chooses to take a question as notice, or to report back without having taken the question as notice, as to further information in trying to provide an accurate and full response to that question.

I would suggest, Madam Speaker, that is exactly what has happened in this particular instance, and if members opposite don't like the answer, that is their problem, but let them not suggest that the rules in any way have been offended by this side trying to give complete factual, full and prompt answers to the questions whenever that is possible.

MADAM SPEAKER: The Honourable Opposition House Leader on the point of order.

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

Rule 19(4), which provides for Ministerial Statements, Madam Speaker, states that "a Minister of the Crown may make an announcement or statement of government policy at the time in the ordinary daily routine of business appointed for ministerial statements."

Madam Speaker, yesterday no questions from the Opposition House Leader, with respect to this matter were taken as notice by either the Premier or the Minister responsible for MTS, and the Minister, I suggest to you, Madam Speaker, has abused the Rules of the House by making such a lengthy answer in response to a question from the Leader of the Opposition.

May I suggest to you that in view of the fact that this discussion arises out of your early calling of order to the Leader of the Opposition, and in view of the lengthy answer given by the Minister, which should have been made under ministerial statements, that you give some latitude to the Leader of the Opposition in making a preamble to his next question.

MADAM SPEAKER: The Honourable Member for River Heights on the point of order.

MRS. S. CARSTAIRS: Thank you, Madam Speaker.

I don't purport to be an authority on the Rules of the House, however, it seems to me that it has been customary, since I took my seat, that in ministerial statements copies are distributed to the members and also to the media.

In this particular case it was certainly distributed to the media and, therefore, I think it had the intention of being a ministerial statement.

MADAM SPEAKER: The Honourable Opposition House Leader rightfully points out that a Minister may make a statement under ministerial statements on government policy. It does not say that any statement a Minister makes falls in that category. It's obvious that we are now in Oral Questions and that if the Honourable Leader of the Opposition, or any other member,

objected to the Minister's reading of a statement, or tabling a statement as an answer to a question, a point of order should be raised at the time it happens.

A point of order was not raised while the Minister was tabling his statement in answer to an Oral Question, therefore, the Honourable Leader of the Opposition does not have an opportunity to reply. He does have an opportunity to have a preamble to a question; but that particular document was tabled in the manner that many other documents are tabled in this House, and was not a ministerial statement.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. J. DOWNEY: Talk about a coverup.

A MEMBER: Corruption and coverup.

MADAM SPEAKER: I do hope that the Honourable Member for Arthur was not referring to the statement that the Speaker just made to the House.

MR. J. DOWNEY: No, I wasn't, Madam Speaker, I was referring to the government and this Premier.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, my question is for the Premier.

In view of the fact that the announced study and terms of reference just made by the Minister responsible for the Telephone System will not provide for sworn testimony; will not provide for witnesses to be subpoenaed under oath; will not provide the opportunity for employees who have expressed concern to ensure that their careers are not put at risk by having to give information to management consultants without immunity; and, Madam Speaker, in view of the fact that we have been misinformed - whether it be the media, whether it be this Minister and previous Ministers - this Premier and members of this Legislature have been misinformed on at least four occasions by senior staff and officials of MTX; will he not now see the great gap that exists within the study of the terms of reference that will not allow all the information and all the facts to come out, and all the testimony that should come out on this MTX issue and call a full, public inquiry with powers of subpoena to get to the bottom of the whole MTX mess.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, what is extremely important, in view of the allegations that have been raised in this Chamber and in committee, some of those allegations pertain to criminal action; some of those allegations relating to management or business practice, that those allegations be dealt with expeditiously and by the proper body.

Insofar as the allegations respecting criminal activity - and the honourable member has made reference in his question to employees not wishing to submit themselves to the giving of evidence - the employees that the Honourable Leader of the Opposition refers

to are employees named in the Ferguson Affidavit in relationship to criminal matters, they have a legal obligation to submit, Madam Speaker, their information to the Royal Canadian Mounted Police, not to a Commission of Inquiry, but to the Royal Canadian Mounted Police.

Secondly, Madam Speaker, in fact, if we are to ensure that those serious charges are dealt with expeditiously, any other route would be counterproductive to the ensuring that those serious allegations are properly investigated and dealt with, if necessary, according to the Royal Canadian Mounted Police by way of trial.

Madam Speaker, insofar as the . . .

SOME HONOURABLE MEMBERS: Oh, oh!

HON. H. PAWLEY: Madam Speaker, insofar as the matters relating to management, the best possible route that I could possibly consider is the route that has been properly announced just a few moments ago by the Minister responsible for the Telephone System. What is required is an expeditious management audit, an early report back to this government so if the allegations pertaining to business practices being shoddy, accounting irregularities, etc., are borne out, that appropriate action is taken. Not, Madam Speaker, action which would be delayed while we proceed through a public inquiry that might takes months and months and months, while at the same time that public inquiry would be in operation we would be paralyzed insofar as taking appropriate action, insofar as dealing with the problems that may or may not have to be dealt with after there's been a proper determination.

MTS - immunity for MTS employees re MTX

MR. G. FILMON: Madam Speaker, the Premier conveniently refers only to employees named in the Ferguson Affidavit. I ask him: what can he do to ensure immunity for other employees not named in the Ferguson Affidavit who have information to share, who are phoning daily to members on this side of the House asking for the opportunity to testify under oath so that they won't be in danger of losing their jobs?

HON. H. PAWLEY: Madam Speaker, a commitment that any employee has in regard to cooperating either with the RCMP or the management audit, is a commitment of this government, this Premier, the Minister responsible for the Telephone System of immunity. Madam Speaker, what is expected and what I assume will happen - because I know the employees of the Telephone System are a responsible group that want to cooperate insofar as dealing with these allegations, improving this system - Madam Speaker, that is the highest form of protection to any employee in the Province of Manitoba.

MTS - judicial inquiry re MTX

MR. G. FILMON: Madam Speaker, I'm afraid that events over the past few weeks don't seem to give much credence to the Premier's word.

Madam Speaker, I ask a further question of the Premier. In view of the fact that on Tuesday, August

12, in a response to a question in this House, the Minister responsible for the Telephone System said: "I was advised that the individual involved was a citizen of Saudi Arabia, that disciplinary action had been taken against the individual. He was no longer employed. He had never been, as I understood it, in the employ of the joint venture. He had been a full-time employee of an affiliated company." And I just interrupt to say we are talking about the kickback allegation, the kickback admission by Mr. Provencher.

Further he concluded and said because he was a Saudi Arabian, because he was no longer employed, because he had been working for the Saudi Arabian company: "As such there was no action that we could have taken in Canada in respect to a criminal investigation on that matter. Therefore, I believe there was no basis for a criminal investigation here, Madam Speaker.

In view of the fact that the Minister of the Telephone System, a former Attorney-General himself, does not believe that a Canadian criminal investigation could investigate and resolve the kickback issue because it involved a Saudi Arabian citizen and took place in Saudi Arabia, does that not indicate that the RCMP investigation will not be able to open up the whole matter and that the only way of doing it is to have a full and complete public inquiry to get to the bottom of all of this.

HON. H. PAWLEY: Madam Speaker, what we are dealing with is a Saudi company. If the Leader of the Opposition is suggesting that the RCMP lack any jurisdiction in respect to any of the matters pertaining of criminality, let me advise the honourable member that the RCMP has much more opportunity to get to the bottom of these allegations of criminality than any public inquiry that would have no jurisdiction whatsoever insofar as Saudi Arabia is concerned, or dealing with witnesses in Saudi Arabia, or the obtaining of any documents in Saudi Arabia. There is no comparison between the ability of the RCMP insofar as those matters pertaining to criminal jurisdiction and getting to the bottom of the allegations, whether they're correct or incorrect - a lot of questions on that still, Madam Speaker - and a judicial inquiry or a public inquiry that would have no jurisdiction whatsoever in Saudi Arabia. You don't have to be a former Attorney-General to advise the Leader of the Opposition of that.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, before the Premier enters into a heartfelt rendition of Rose Marie, let me assure him that we believe that the RCMP will do their job.

My question is: How can he believe that they will do the job that he wants them to do when even his own Minister, a former Attorney-General, doubts their ability to enter into a criminal investigation in Saudi Arabia because it was a kickback made by a Saudi Arabian in a Saudi Arabian company?

HON. H. PAWLEY: Madam Speaker, let me suggest that Nelson Eddy's voice is cracking a little in that question.

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Madam Speaker, I have every confidence . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. I will recognize the Honourable First Minister when we have order.

HON. L. DESJARDINS: Is this the comedy hour or question period?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I was drawing, for the Leader of the Opposition, a very clear comparison insofar as the effectiveness of the RCMP to get to the bottom of the allegations that have been raised, the effectiveness of the RCMP, not just dealing with witnesses and documents, etc. within Canada, but also as to their ability.

Madam Speaker, obviously when we are dealing with other countries, there is a question sometimes of ability. But their ability to deal with the allegations as composed to the public inquiry that the Leader of the Opposition's proposed, that would have absolutely no jurisdiction, no authority within Saudi Arabia.

Manitoba Hydro - hiring practice at Limestone

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Madam Speaker, my question is to the Minister responsible for Energy and Mines and deals with the hiring practices of Limestone.

Could the Minister indicate the number or the percentage of young Manitobans that are working on the project at Limestone right now?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. V. SCHROEDER: Thank you, Madam Speaker.

The percentage of people who didn't come on directly from Manitoba is approximately 20 percent which is by far the lowest proportion we've ever had on a hydro-electric project in Northern Manitoba.

MR. A. DRIEDGER: A further question to the same Minister.

Could the Minister also maybe indicate the amount of people, the number of people or percentage of non-Canadians that are working at Limestone under work permits?

HON. V. SCHROEDER: Madam Speaker, I don't have that number. It would be very, very small and certainly many, many times smaller as a proportion than ever before and certainly than before in the 1960's or 1970's. We have pretty well 80 percent of the people who are Manitobans and we're in the range of approximately 20 percent, most of whom, if not all of whom - not all, there's some from Bechtel and Kumagai and so on - very few people, though. Most of the people there of that 20 percent are still from other parts of Canada.

MR. A. DRIEDGER: To the same Minister then, could the Minister also indicate possibly the positions that are open at Limestone, in the advertising procedure for these positions, that employment offices in Southern Manitoba also have access to that kind of information?

HON. V. SCHROEDER: I thank the honourable member for the question. I think some confusion has arisen with respect to the hiring practices at Limestone and I think that is an important question.

To begin with, there has been only one significant change in hiring practices since the original contract was signed in the 1960's and that has to do in accordance with our consulting study by WMC Consultants, who recommended that we provide a target for Northern Native people to work on that project. We installed that target project into the procedure. As members probably know, that target is off for right now in most categories because it had been reached as of four months ago.

The second category is Northern people. Following Northern is southern Manitoba and following that is anywhere else in the country. As the member knows, it is the federal employment agency, CEIC, who does the reference to the employers, the contractors at Limestone, that is, the contractor at Limestone says I need, say a carpenter as an example, and if there's a Northern Native or Northern carpenter available, that individual or those individuals are sent to the site. If there are none available within, I believe, 72 hours, then the job order is sent to southern Manitoba where again there's a period of time during which that order can be filled.

The member says just Winnipeg and Brandon, I certainly will take that as notice. It should not be just Winnipeg and Brandon; it should be across southern Manitoba. But as I pointed out, that is the federal portion of the situation. It is the Federal Government which controls CEIC totally. We have nothing to do with that other than to sit down with them and discuss how better to deliver when problems like that are pointed out to us. If that is a problem, certainly we will bring that forward because it should be across southern Manitoba. But only after we've gone through Northern Manitoba and southern Manitoba do we go to other parts of the country and it's working quite well, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Emerson with a final supplementary.

MR. A. DRIEDGER: Thank you, Madam Speaker. I have one further question to the Minister responsible for Energy and Mines.

The goals for employment that were established under labourers, operating engineers, carpenters, millwrights, re-bar, pipe fitters; have any of these groups met the goals or objectives of hiring practices that were established?

HON. V. SCHROEDER: I thank the member very much for his question. I think it's a good question.

First of all, of about 11 categories, 10 were met as of four months ago. Currently, at least five are being exceeded. If we took a look at that whole project, we're very, very close overall, not in each particular category,

but overall, we're very, very close to the original targets for Native employment. As these projects go on, Madam Speaker, we hope to do better. I would certainly hope that the Opposition will change its mind and support our Northern Native hiring preference which is so important for them and for our future.

Agriculture Ministers' Conference - major issues

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Thank you, Madam Speaker. I have a question for the Minister of Agriculture.

I understand the Ministers' Conference will be held next week in Victoria. What does the Minister of Agriculture see as the major issues and what stand does he intend to take on those issues?

A MEMBER: That ought to be a nice long answer to that question.

MADAM SPEAKER: The Honourable Minister of Agriculture, briefly.

HON. B. URUSKI: Madam Speaker, I appreciate the kind advice that you're providing. I want to indicate that the major issue that I see at this conference is the whole issue of farm financing and the crisis situation that agriculture is in and the need of both short-term policies and income-support policies to the grain sector, and financial support such as a national operating loan guarantee program to complement provincial programs that have been asked for by all Ministers of Agriculture in this country, including Tory Ministers right across this country, and have been rejected by the Federal Government in the past.

MR. C. BAKER: A supplementary, Madam Speaker. In view of the fact that the Federal Minister of Agriculture has made a proposal to remove 15 percent to 20 percent of the farmers off the land, will the Minister of Agriculture be putting this issue on the agenda? — (Interjection) —

HON. B. URUSKI: Madam Speaker, the Honourable Member for Arthur says we're moving 20 percent more people onto the land to starve. Madam Speaker, agriculture will not be more efficient by removing 20 percent of our farmers. We do not support such a policy, Madam Speaker. It will be part and parcel of our concerted effort by Manitoba and a number of other provinces not to cooperate with the Federal Government to remove 15 percent to 20 percent of our farmers, as is recommended by the Federal Government, Madam Speaker.

We will do whatever we can to advocate and support the farmers of Manitoba and this country to retain their land holdings and to farm with decent incomes, Madam Speaker. That will be our position.

MR. C. BAKER: A final supplementary. Will the Minister recommend, in view of the American subsidy, that we perhaps will suspend free trade talks with the United States until we get that ironed out?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. All members of this Legislature have the right to ask questions and also should be able to hear the answers. The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, one can't resist the off-handed comments of members of the Conservative Party who indicate that we should, in fact, get rid of 20 percent of our farmers because they are in a poverty position now and agriculture will be more efficient if we have 20 percent less farmers. Members opposite have said that.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. The Honourable Member for Virden on a point of order.

MR. G. FINDLAY: Yes, Madam Speaker, a point of order. No members on this side have advocated that we remove 20 percent of the farmers from the farm land. I'd like the Minister to withdraw that statement.

MADAM SPEAKER: Order, order please. A dispute over the facts is not a point of order. The Honourable Minister of Agriculture, briefly.

HON. B. URUSKI: Madam Speaker, I'm pleased to hear at least one member of the Conservative Party not standing with his federal colleagues.

Madam Speaker, this government and the Premier of this province have our position very clearly vis-à-vis agricultural trade, that in view of the actions taken by the U.S. President, we should suspend any discussions on international trade in view of the selling of subsidized grain to the Russians, and suspend the trade talks.

Interest Rate Relief Program - written-off loans

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker. On August 7, I took as notice a couple of questions from the — (Interjection) —

MADAM SPEAKER: Order please.

A MEMBER: You've got to keep order in this House, Madam Speaker.

MADAM SPEAKER: It would help if there was some cooperation to keep order in this House. The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker. I certainly agree with your sentiments about members opposite.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. E. KOSTYRA: On August 7, I took as notice a number of questions from the Honourable Leader of the Opposition with regard to previous information that was provided to him with respect to the Interest Rate Relief Program. He had asked me at that time whether or not there was any legal recourse to collecting from the companies that were still in operation.

I point out to him that there was a very extensive process of dealing with the loans that were outstanding with respect to the Interest Rate Relief Program, a very extensive program through the Department of Business Development and Tourism. Failing a satisfactory resolution there, there was referral to the Attorney-General's Department, which then contacted the client and attempted to effect payment. If, as a result of that, there were still unsatisfactory results, they went into various legal recourses such as statement of claim or other mechanisms.

I would point out, as a matter of information, that since more than 85 percent of the businesses that were involved in that program have continued and have recovered as a result of that program, overall it's quite obvious that program was a success in terms of assisting small business during the very difficult time of high interest rates back in 1981-82.

Since the collection procedure is quite detailed, and I've just given a very quick overview of that process, Madam Speaker, I will table a detailed response to the question for the Leader of the Opposition.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, my further question that the Minister took as notice was why they did not require personal guarantees on those loans.

HON. E. KOSTYRA: Thank you, Madam Speaker. That question also was answered. It was not deemed to be appropriate under the program because that program was to assist small businesses during a very difficult time of high interest rates. The program was set up in such a way that that was not a requirement of the program at that time.

Limestone - Native hiring

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Minister responsible for Hydro. In May, Manitoba Hydro suspended its Native Employment Preferential Clause because the Minister bragged, and he did so again today, that they had achieved the 35 percent Native employment rate, despite the fact that rate had been achieved in an overall period of low employment.

Will the Minister explain why, today, Native hiring is standing at about 22 percent on the Limestone project in this, what is now a very high period of employment?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. V. SCHROEDER: Madam Speaker, it would be nice if the member understood the collective agreement.

A collective agreement was entered into between the trade unions involved and the contractors, the Allied Hydro Council, and it set out for the first time in history a target proposal which had to be met for Northern Native hiring. In about 10 of 11 categories, that target had been met approximately four months ago.

The contract - and not the government - the contract specifically stated that at the point when the targets had been met, and it's reviewed every four months, at that point wherever a target had been met, the preference would be removed although Northern Natives would still be within the first preference of hiring because they are still Northerners, Madam Speaker.

That is exactly what happened four months ago. There was nothing that the government did other than we set up that contract, and we're very proud of that fact. We now have more than four times as many Natives working on Limestone, as a proportion, than we've ever had before in history in a Northern Manitoba hydro-electric project and we're proud of that fact. We have said that's still not good enough and we will attempt to do better. We want to provide fair shares for Northern Natives. The four months is now up. There is a new review of those particular target areas and in accordance with the collective agreement, there will be further categories established. We will continue and we will evaluate that work over the winter and try to make sure that we do better next year.

MRS. S. CARSTAIRS: Madam Speaker, a supplementary question to the same Minister.

Will the Minister require Hydro to reinstitute its Native hiring provisions and to maintain those Native hiring preferential clauses even in times of high employment?

HON. V. SCHROEDER: Madam Speaker, there is a contract in place, a contract that we do not have the right to unilaterally alter. We will attempt to do our best to ensure Native Manitoba, Northern Manitoba and Southern Manitoba employment:

Manitoba Hydro - hiring practices at Limestone

HON. V. SCHROEDER: Just further to a question asked by the Member for Emerson earlier on today, he asked how many people from outside of Canada are working at Limestone. I'm pleased to tell him that there are 7 people out of scope; 4 that is out of the union scope of employment, 4 at Bechtel-Kumagai Management, 3 others - and yes, the Member for Springfield, brilliant as usual, said how many in scope, how many union people; zero, Madam Speaker, zero from outside of Canada.

Brandon General Hospital - cutbacks

MADAM SPEAKER: The Honourable Member for Brandon West.

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

The government has refused to increase the operating budget for Brandon General Hospital, Madam Speaker, and that will result in the closing, the cutback of 31

beds. That's a complete about-face from election promises made five months ago.

Madam Speaker, in view of the priority of this government to use tax dollars for Socialist adventures at ManOil and to finance questionable MTX activities in Saudi Arabia, will the Minister urge the government to reorder its priorities, to get its act together so that sick people in Westman will not have to face further cuts at the Brandon General Hospital in the future?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: I can assure the member that at no time were there any promises that we would encourage people to go over their budget. At no time was there in any election that they should go over their budget. My honourable friend is talking about reinstating priorities; that's exactly what we're doing. We're trying to give a service that is affordable to the people of Manitoba and we're trying to give the same service to all the people of Manitoba, not just one area.

MR. J. McCRAE: Madam Speaker, there are 900 people waiting for elective surgery at the Brandon General Hospital and with this cutback, that list will certainly grow. Does the Minister suggest that people go to the United States or to other jurisdictions for their elective surgery now?

HON. L. DESJARDINS: Madam Speaker, there is no cutback at all. There is no cutback; it's additional funds that have been requested. There's no cutback and the decision was made by the board of the hospital.

Madam Speaker, if we can clean up the act out there and we can have a bidding plan that is comparable to the rest of the hospitals in Manitoba, we won't have such a waiting list.

MR. J. McCRAE: Madam Speaker, I have a question for the Minister of Employment Services and Economic Security - a Minister who gave the people of Brandon many assurances at election time, including assurances of protection and enhancement of our health care system.

I wonder if the Minister stood up for Brandon when this decision was made, Madam Speaker. Does he have any influence in this Cabinet left at all? We're finding out, Madam Speaker, just what that . . . scanner is costing . . .

MADAM SPEAKER: Order please! Order please!
The Honourable Government House Leader.

HON. J. COWAN: The member knows full well that it is improper to ask questions of a Minister that do not fall within his responsibility. The member also knows full well, as do the citizens of Brandon and the residents of this province, that they have had a strong capable vocal voice in this government for many years and will continue to do so as long as the Member for Brandon (sic) sits in this House and that he has stood up their behalf on every occasion and at every opportunity.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: First of all, as the Honourable Member for Brandon West well knows, he cannot ask a question of a Minister that does not fall within his administrative responsibility and secondly, the time for Oral Questions has expired.

MR. J. McCRAE: I would ask that, with leave, the question period be extended a few minutes to allow honourable members an opportunity to ask questions which were prevented by lengthy questions and even more lengthy answers given by Ministers opposite.

MADAM SPEAKER: Obviously the honourable member does not have leave for his request.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order, order please!

MR. J. McCRAE: I hear honourable members opposite saying "Leave," Madam Speaker.

MADAM SPEAKER: Leave has to be unanimous, as the honourable member well knows and leave is not unanimous.

Order please! Order please!

Is it the will of honourable members to continue with the business of the House?

For the edification of all honourable members, I have operated under the assumption that honourable members of the opposition determine in their own caucus how they allocate the time for question period.

Order please. If members are not satisfied with the length of question period at 40 minutes, they know the proper procedure for amending the rules.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, may I respectfully point out to you that it is not only the content of your remarks that offends members of the opposition, but the tone of your voice.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: I'm certain that the Honourable Opposition House Leader has every right to express his opinion; however, one is born with the tone of voice that they happen to have.

The Honourable Government House Leader.

ORDERS OF THE DAY

HON. J. COWAN: I move, seconded by the Minister of Labour, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider the supply to be granted to Her Majesty.

MADAM SPEAKER: Order please.

HON. J. COWAN: Madam Speaker, also as well to indicate that it is my understanding that there's inclination on the part of all members to forego Private Members' Hour today and continue with the consideration of the Estimates until 5:30 p.m. and then continue again at 8:00 p.m.

MOTION presented.

MATTER OF GRIEVANCE

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, I wish to use this opportunity to use my grievance for this Session and in doing so I firstly wish to indicate that I was astounded by the remark of the Honourable Minister of Health who had the nerve at the end of question period to suggest to the Member for Brandon West that the Brandon Hospital Board clean up its act in Brandon.

We have on that side of the House, Madam Speaker, in the short period of five months since the last election, the most incompetent administration that has ever governed in the Province of Manitoba. It's incompetent, second only to their previous term in office, though I would point out, Madam Speaker, but in the short period of five months - and this is my grievance, Madam Speaker - there is a litany of mismanagement and incompetence and disaster after disaster from that side of the House.

We have the current crisis, the MTS-MTX and the refusal of members opposite to appoint a public inquiry. Madam Speaker, I submit that they're afraid to appoint a public inquiry because the allegations so far only skim the tip of the surface of the operations of MTS and MTX in Saudi Arabia and on the North American continent. That's the real reason they're afraid to appoint a public inquiry.

They are following once again the Cabinet decision of September 1983, where they resolved at that time, after two years at that time of disaster after disaster, to hide everything, not to make any decisions, and that's what they're embarking upon again. Keep the public misinformed. If we do the job as well as we did the last two terms of our last government, we'll fleece them once again in the next election. So don't call a public inquiry because even though we're not too sure of what's going on, we don't want the public to know what's going on. So they're refusing day after day after day to appoint a public inquiry because they're afraid that the public will learn what's really happening, Madam Speaker, and they're afraid because the allegations so far have only skimmed the surface of what is happening.

Let's go back for a moment, Madam Speaker, and examine the disasters that have occurred since the March election. It started off by the government withholding, and then finally after the election, revealing the Third Quarterly Financial Report which indicated a deficit higher by \$55 million than had previously been estimated, information they didn't want the public to know. They are following that with MTS and MTX, and they did it at that time also.

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

And here we are, again, Mr. Deputy Speaker, nearly four months after the year-end. Where is the First Quarterly Financial Report? Those reports should be available within 90 days after the end of a financial quarter. But I suspect what's going on, it's hide the report until the Legislative Session is over, and then we'll release it because then there'll be no opportunity

to debate and discuss what's contained in the First Quarterly Financial Report for this year. It's their old trick, just trying to fool the people of Manitoba once again.

Then we had the announcement, Mr. Deputy Speaker, of the Flyer sale after the election when we had a commitment last year at the last Session that there would be a sale and public information by the end of 1985. That sale was deferred until after the election. Why? Because what was in that sale, because this government, through its mismanagement and incompetence of Flyer had to pay to get rid of Flyer, and pay dearly. And what happened when the union raised a concern about the terms of the first sale that they negotiated? They renegotiated and guaranteed a further three-quarters of a million dollars in the event that a sale of buses is not completed.

Mr. Deputy Speaker, the public of Manitoba paid dearly for their incompetence during their last term in office for their mismanagement of Flyer; it delayed the sale until after the election; they renegotiate when a union indicates concern; and a further three-quarters of a million dollars is guaranteed to the purchasers, and the public of Manitoba are paying dearly with respect to that matter.

What did they do with Manfor, Mr. Deputy Speaker? They changed the year-end so that the Annual Report did not have to come out during the election period revealing a \$30 million deficit. Again, the public of Manitoba was manipulated and this Legislature was manipulated, by changing that year-end and by withholding that information in such a way that it would not come out until after the last election. But it has come out and now we have layoffs, which I am sure the Premier and the Minister responsible did not tell the union workers about in The Pas prior to the election.

Then we had a Budget, Mr. Deputy Speaker, that contains another half a billion dollar deficit, the fifth in a row, for the New Democratic Party since they've been in office since 1981, and a third loss in credit rating. This is the third loss in credit rating for this province in 5 years. Five years of \$500 million deficits, and a third loss in credit rating.

What was the next item that appeared on the agenda, Mr. Deputy Speaker? It was the emergency debate that we had in this Chamber on child abuse with respect to allegations that I had raised for a number of years. And finally, members opposite, after the election was over, after the Minister refused to debate the issue publicly before the election in March, even members opposite agreed with the concerns that we had raised and we, in a precedent-setting discussion of that day on issues that were all raised prior to the election, but now which the Minister after the election finally agrees with, finally agrees to a review of the child abuse problems that exist in this province.

Then we had, Mr. Deputy Speaker, the University of Brandon and the settlement with Dr. Perkins. This board containing a majority of political appointments from this government who fired Dr. Perkins previously, two or three years ago, finally has to account for the error in their ways by means of a \$1 million settlement of public taxpayers' money. That settlement is worth \$1 million, despite the objections of the Minister for Education because Dr. Perkins asked to be paid that salary for a period of 10 years, as well as the new

president of Brandon University has to be paid. That's \$1 million cost to the taxpayers of Manitoba.

We have, in addition, a provincial audit in Natural Resources on a matter raised by my colleague, the Member for Emerson, issues which he had been putting to the Minister and putting to the government for a number of days and a number of weeks. The Auditor must be the most overworked civil servant in the Province of Manitoba. Never has he been so busy, engaged in special and emergency audits with respect to mismanagement under this government.

Then we have, Mr. Deputy Speaker, the firing of the President of MPIC, Manitoba Public Insurance Corporation, one of the great, certainly in the eyes of the government, one of the great corporations and institutions in this province, having to fire the President of the Manitoba Public Insurance Corporation, under their management, Mr. Deputy Speaker.

Mr. Deputy Speaker, we have the silly situation of the Children's Hospital not yet fully open to provide health care for the children of this province, in a project that was approved in 1981 by our party when we were in government, and we still have daily problems relating to that. As late as yesterday, I was advised of a concern by a parent, because they don't have air conditioning yet in the operating room, extremely concerned about a problem that had occurred with one of her children as a result of the lack of air conditioning. In this particular heat, Mr. Deputy Speaker, in the operating room. That's the kind of mismanagement that is taking place under this government.

We have what became evident on Friday. A government who stops testing for Western Equine Encephalitis, such a small matter, and a Minister who refuses to allow the City of Winnipeg to do the testing at the Cadham Lab, and my advice is that the testing costs approximately \$1.75 for two. That's the kind of money we're talking about, Mr. Deputy Speaker, but because the government feels embarrassed because the city has gone on and done what the province should be doing, they don't allow testing at the Cadham Lab, and require the city to go to Toronto to have this important testing done. It is important to parents, particularly of children, or to relatives of older people to know that there is a threat of Western Equine Encephalitis, so that special precautions can be taken.

We have, Mr. Deputy Speaker, the suspension of the Chief Executive Officer of the Workers Compensation Board, and a whole review of that particular operation. Public hearings for which, interestingly enough, were postponed until after the election. And day after day, while the review committee met and heard public submissions, we read day after day about concerns expressed by people on all sides of the issue. We have read day after day and year after year about 20 percent increases annually, year after year, in the operation of the Workers Compensation Board, and I could take you back a number of years through the mismanagement and incompetence that has taken place under this government on that particular side of the operation of the Workers Compensation Board to a point now, Mr. Deputy Speaker, where they have to suspend the Chief Executive Officer.

One thing we know, Mr. Deputy Speaker, these are all their people. Because they fired everybody of any senior management ability who was there previously.

They're all paying them retirement bonuses, severance pay. — (Interjection) — They are. The Minister responsible is saying, not true. But all of those people received severance pay and special pension arrangements, of course, one of the conditions being, Mr. Deputy Speaker, that they make no public statement. They make no public statement. That's one thing that this government does. In every one of these severances, as with Dr. Perkins, as with the people at the Workers Compensation Board, they make it a condition of the agreement that the terms of the settlement will be at an end, should the other party make a public statement. That's their commitment to public discussion, to open government, to public inquiries, Mr. Deputy Speaker.

And do we yet have The Freedom of Information Act? The Freedom of Information Act that the Honourable Attorney-General said, over a year ago, about 14 months ago, that the act would be proclaimed at the latest, last fall. And here it is, the end of August of 1986 and the act is not proclaimed. An act that was promised in 1982, Mr. Deputy Speaker, but do you really think that they're going to proclaim that act before this Session of the Legislature is over? I don't think so. Their whole record indicates a lack of commitment to that freedom of information, to public discussion of these issues.

But the most outstanding thing, Mr. Deputy Speaker, as you look through this list of only 12 that I have been able, in a short period of time, to make a note of, these 12 instances of incompetence. Or failing incompetence, Mr. Deputy Speaker, a deliberate attempt to withhold information to manipulate the public. Isn't it interesting, Mr. Deputy Speaker, how all of that public advertising that we had last fall and in the early part of January, is nowhere to be seen on the television channels now. What was so important during 1985 when we spent millions and millions of dollars of taxpayers' money on advertising of this government? All of a sudden, it's quit.

Mr. Deputy Speaker, I raised the issue with the Minister of Labour in his Estimates because his communications area was reduced significantly, the expenditures. I asked the Minister of Labour, I said, "Isn't it odd that in the year after the election, the communications budget has been reduced so substantially?" I said, "Can we expect that in the year leading up to the next election that this area will be bolstered again?" And he said, "Excellent idea." Of course.

Mr. Deputy Speaker, that is the kind of cynical attitude that this government displayed throughout its first term, is displaying throughout this term, where it wants to withhold information from the public, such as a public inquiry into MTS and MTX.

The other thing, Mr. Deputy Speaker, that becomes obvious, is that we have a clear case of sheer incompetence and mismanagement for the previous four years and throughout these first five months. What a honeymoon period for a new government. If this is their honeymoon period, I hate to see what the next three-and-a-half years will bring for the people of Manitoba. But just look at the sheer incompetence in operating Flyer, where millions and millions of dollars of taxpayers' money have been wasted. This is the party who wants to stand up for Manitobans; who wants

to stand up for the ordinary Manitoban. Mr. Deputy Speaker, it is the ordinary Manitobans who are paying for the sheer incompetence of this government, day after day. Millions and millions of dollars in Flyer; millions and millions of dollars in Manfor, with people now being laid off; for this half-a-billion dollar deficit, ordinary Manitobans are going to pay millions and millions of dollars in interest charges. For the third reduction in their credit rating, ordinary Manitobans are going to pay and pay through the nose to borrow money for this province, to lend money for this province, it's going to cost their ordinary Manitobans millions and millions of dollars.

Mr. Deputy Speaker, this government has exhibited pure mismanagement in that whole area of child abuse that is being discussed in the Legislature. They were warned and warned in advance, not only by myself, but professional people, privately, and they mismanaged that whole area, so that we have to now add a whole review of that process.

They are responsible for the million dollar settlement with Dr. Perkins, it is ordinary Manitobans who are going to have to pay for that costly settlement. It is ordinary Manitobans who are going to have to pay for mismanagement in Natural Resources. It is ordinary Manitobans who are going to have to pay for what has taken place in MPIC. It is ordinary Manitobans who are paying for the incompetence in the Health Department with respect to the Children's Hospital. It is ordinary Manitobans, Mr. Deputy Speaker, who are going to pay for what is taking place in MTS and MTX, and that's why it's so important that there be a public inquiry into that whole area. That's the only appropriate way to deal with the extremely serious allegations that have been made and with the great concern that there is much more under the surface that has not been yet touched, Mr. Deputy Speaker, and that is why our concern is that is the real reason why the government does not want to appoint a public or judicial inquiry.

(Madam Speaker in the Chair.)

Ordinary Manitobans, in one way or the other, Madam Speaker, are going to pay for the incompetence that is being exhibited and displayed at the Workers Compensation Board.

So, Madam Speaker, when the Premier had the nerve to say he wanted to say to the electorate just a short five months ago, "Stand up for Manitoba and vote NDP," it's time somebody did stand up for Manitoba, and we're trying to do that on this side of the House - stand up for Manitoba and resign - because that's the best thing they could do.

This government with this horrible record, never in my life anywhere in Canada have I ever seen a record like this of a government in the first five months after an election. It is absolutely horrendous and the public is absolutely appalled at the kind of government that they are receiving from the New Democratic Party. It is absolutely mind boggling in fact, Madam Speaker, to see error after error, disaster after disaster, incompetence after incompetence coming to the public light. People pick up their paper day after day and they say, "What more can go wrong?" And there's always something more. Day after day, week after week, there is another disaster after disaster.

When a government with a record like that refuses to appoint a public inquiry after all of their disasters, the public are very, very suspicious. It would be one thing if they came into this House with a clear record up until now with nothing having gone wrong, with a demonstrated record of competence, but for the Premier to come to this House with this kind of a record of incompetence and mismanagement and to say they are not going to appoint a public inquiry, people are very, very suspicious and the people of Manitoba, Madam Speaker, want a public inquiry because they don't trust this government for one second.

If this government has any hope of achieving electoral success in the future, they better call a public inquiry, face the facts, let it all come out, deal with it honestly. Perhaps, through luck or through retaining somebody with some ability outside of their caucus and their Cabinet, they might be able to resolve the matter. But with this record it is absolutely incomprehensible, Madam Speaker, that they would fail to appoint a public inquiry of the serious allegations. Their record demands that a public inquiry be appointed.

Madam Speaker, I don't wish to use my full 40 minutes; I simply wish to go on the record that in five short months since the last election this government has demonstrated a degree of incompetence that is simply unseen in any other jurisdiction in the world. For this honeymoon period, to have this litany of things go wrong, is absolutely incomprehensible. It is because of that record that so much else that has gone wrong, it is absolutely essential that this government appoint a public inquiry into the allegations that have been made with respect to the Manitoba Telephone System and MTX.

Thank you, Madam Speaker.

QUESTION put, MOTION carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair for the Department of Natural Resources; and the Honourable Member for Kildonan in the Chair for the Department of the Attorney-General.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - ATTORNEY-GENERAL

MR. CHAIRMAN, M. Dolin: The committee will come to order. We are reconvening the review of the Estimates of the Department of the Attorney-General, on Page 18, 3. Legal Services, Resolution 18. Prior to that, the Attorney-General has some information that was requested.

The Attorney-General.

HON. R. PENNER: First of all, to confirm a response I made to the Member for St. Norbert having to do with the request, as I have it, from Rhineland, but it was also from Morris-Macdonald, dealing with penalties associated with violating the "Don't Pass" law for school buses.

Upon receiving the communication from the Rhineland School Division and receiving a memo to the same effect from the Minister of Education, I referred it to the Minister of Highways, as I indicated yesterday.

I have advised Mr. Jake Sawatsky, the board chairman of Rhineland, on May 7, 1986 to that effect. I diarized this to discuss it further with the Minister of Highways and we'll be doing so. So that's in response to that.

I'm confirming that we advised Mr. Roy Harriott on that issue involving the question of cruelty to animals. On February 17, 1986, I noted that we had decided not to appeal the decision of Judge Rubin. Our lawyers advise they do not agree with the ruling, however, they will not be appealing this particular case. Please be assured that Judge Rubin's comments on dismissing this case for evidential reasons does not affect the enforcement of provisions in the Criminal Code which prohibit individuals from killing animals. So that advice went out.

Thirdly, there were some questions yesterday about the Crime Prevention Centre and I have available for distribution and would now ask that they be distributed to those members who are here, just a very brief report noting that we are, in fact, in order to develop an appropriate model for the Crime Prevention Centre in Manitoba, the Department of Community Services and the Attorney-General have engaged in a process of consultation. That has included the Federal Department of Solicitor-General, who have also announced a national Crime Prevention centre and are interested in developing a cross-Canada network. So we're trying to mesh with that.

There's some material attached which gives sort of an update about where we are in the development of crime prevention initiatives. So I'm providing that as additional information to members of the House.

Finally, because I think the question will come up in Legal Services, the item that we're about to deal with, I'll distribute now in advance a brief summary I've had prepared which is a summary of departmental activities on the validation of Manitoba's laws dealing with the translation project. So I would ask that this be distributed to members here. That document can be before . . .

MR. CHAIRMAN: Thank you.
The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, while we're trying to absorb the information that is being distributed to us, with respect to this, we're on Item 3.(a), which does show an additional seven staff years for regulations, review and spent statutes review. Could the Attorney-General indicate how many lawyers are involved in that?

HON. R. PENNER: In this particular item, which is the regulation review and the review of the private, unconsolidated laws, with respect to the regulation review, there are three lawyers and a secretary. With respect to the review of the private, unconsolidated laws, there are two lawyers and a secretary making a total of seven SY's.

MR. G. MERCIER: Were those hired by open competition?

HON. R. PENNER: Yes, they were.

MR. G. MERCIER: This is the regulations review?

HON. R. PENNER: Yes.

MR. G. MERCIER: It's the translation that's being done on contract, not the . . .

HON. R. PENNER: Translation that is done under contract, there we get bids. There are a limited number of major legal translating firms located in the Ottawa Valley district, Quebec City and Montreal. When we have a project ready for translation that we can't handle internally, then we ask the two or three or four firms to submit bids and we take the lowest of the bids.

MR. G. MERCIER: Mr. Chairman, perhaps we could deal with this area of translation, etc., and the validation of the statutes now, although some money is obviously included in Legislative Counsel. Are we up-to-date with the program of translation that was approved in the Supreme Court order?

HON. R. PENNER: Yes. In fact, we're ahead and I hope we remain that way. We expect, on the basis of current progress, that we should have a fully valid continuing consolidation. That's, of course, as the member knows, the principle of public laws, in 1987-88. That's a full year-and-a-half ahead of schedule.

We've added, in this fiscal year, an additional drafter, a legal translator, general translator, and secretary, to cope with the demand of keeping current as we go through a Session of the Legislature and making sure we can complete the CCM project.

MR. G. MERCIER: Under that court order, is there not supposed to be a public report filed in the Legislature?

HON. R. PENNER: I don't believe so, but I have filed a report here during my Estimates and if the member would like a more formal report filed in the Legislature, I certainly have no objection to doing that.

MR. G. MERCIER: I just want to see the Attorney-General do what the Supreme Court, I believe, asked him to do and perhaps he could check that.

HON. R. PENNER: I don't have a copy of the order immediately to hand although it may be in one of the briefing books, so we'll find it in a few minutes. I'm inclined to think . . . if you'll bear with me a moment.

No, there's no requirement in the order that a report be tabled in the House. There's a requirement in the order, or at least there's a permissive section that any of the parties may appear before the Supreme Court in case of necessity to try to modify the order, but there doesn't appear to be any necessity.

MR. G. MERCIER: I note in the report you have tabled with us, you indicate you received support from the Federal Government in the order of \$400,000 last year and you anticipate a similar amount this year. Is there an agreement between the Provincial Government and the Federal Government to cover their cost sharing in this project of translation?

HON. R. PENNER: No, there is no formal agreement. There is a commitment that had been made by the

previous Secretary of State, which I understand is not a problem with the current Secretary of State, that a portion of the funds that they have generally available for this kind of work, translation of statutes, will be made available to the Province of Manitoba. What we want to do is increase the amount available to the Province of Manitoba and the Deputy Attorney-General will be meeting with officials both in Justice and Secretary of State sometime in September-October to see if we can up the amount of the federal contribution.

MR. G. MERCIER: As it stands now, during this five-year period, you expect to receive, at least as of now, \$400,000 per year and hopefully that will be increased?

HON. R. PENNER: That is right.

MR. G. MERCIER: The total cost is anticipated to be as stated in the report, \$10,000.00?

HON. R. PENNER: Ten million.

MR. G. MERCIER: Ten million dollars?

HON. R. PENNER: Yes. That's down from what we originally estimated, and I'd like here to commend the people who are working on the project. I really feel that one of the best jobs in Canada is being done by our legal staff, both in the Department of Legal Services in the Constitutional Law Branch and in the Translation Branch in narrowing the scope of what has to be done by cleaning out a lot of the old regulations, by looking at a lot of the old laws that need not be translated and weeding them out, and also the increased efficiency of the translation unit itself which, as we anticipated, is able to now move from two or three pages a day to a considerably higher number - I'm not sure of the exact number of pages per day - and still cope with the ongoing business of the House. The other thing that we've been able to add, and that was noted when we were looking at our computer expenditures, is a lot of technology which has facilitated this work.

MR. G. MERCIER: Mr. Chairman, I too would commend them. Obviously, they're doing a good job but, when you see a final figure of \$10 million compared to the suggestions that were made previously that the cost was going to be \$20 million, \$30 million, \$40 million, \$50 million, one wonders where those people who made those comments got those figures.

HON. R. PENNER: First of all, it should be noted that I'm not aware of anybody having made, at least any member of government having made a statement that it was going to be \$25 - 30 - 35 million, but you have to bear the following in mind.

No. 1, estimates that were made during the course of the debate on the resolution and subsequently on Bill 115 were estimates on the best estimates basis at the time. Secondly, the figure that I've given with respect to translations does not include the printing costs, which have to be factored in to get the total cost. Thirdly, the \$10 million is an incremental cost and, whether or not the figures that were given were incremental only or assumed the ongoing cost that we were bearing in any event is not quite clear.

It's true that a number of figures were used. I think everybody was, at that time, dealing with something very, very new, trying to do their best under the circumstances to get a handle on the costs. I think the member may recall that, when we finally got the order of the Supreme Court, and I was asked on one or two, perhaps more occasions by the Member for St. Norbert as to my then estimate, I believe I put it in the order of from \$10 million to \$15 million altogether, something of that kind, because at that time we were beginning to have a better handle on what the cost was. Indeed, the cost is at the lower end of that scale, and I'm pleased about that.

MR. G. MERCIER: Mr. Chairman, I think, if you examined the record, it would indicate that the Premier used figures like \$50 million for translation. Could the Attorney-General confirm that?

HON. R. PENNER: I'm sorry, I didn't hear the question.

MR. G. MERCIER: As I recollect, Mr. Chairman, the Premier used figures like \$50 million for translation in some of his statements.

HON. R. PENNER: To the best of my knowledge, the Premier did not make that estimate in the House or in response to a question in the House or, for that matter, anywhere else. I can't confirm it, I can't deny it, I just have no recollection of that kind of estimate being made by the Premier at any time.

MR. G. MERCIER: Mr. Chairman, on another subject. During April, the government announced a settlement of the CFI matter for a \$3 million settlement with Arthur D. Little; does the Attorney-General have a final financial accounting with respect to this whole matter? From time to time and from Estimates to Estimates, the department had prepared a statement of fees paid for legal services, and certainly there was a \$9 million civil settlement with Mr. Kassar, before the Attorney-General was in office. Now we have a final settlement of this matter.

HON. R. PENNER: In response to the question, and if possible we'll try to get it right down to the last dollar and cent by this evening, the total recovery would be in the order of \$13 million - 9 million plus change at the outset; 1 million fine on the criminal; and 3 million on the A. D. Little.

The total expenditures for the Commission of Inquiry, the legal costs associated with the criminal prosecution, and the legal costs associated with the civil prosecutions, or civil matters, would be somewhat under 5 million.

MR. G. MERCIER: Well, we'll get the final figures later on I take it.

In this review of regulations, we have this Rule in the House Rules about the committee that is supposed to meet to deal with regulations that has met some eight years ago, I think, eight or nine years ago. Does the Attorney-General have any - and I'm not particularly advocating it - but is he planning on using that committee?

HON. R. PENNER: I'd certainly be prepared on request to table - we will be tabling the Regulation Report when it's complete in the House because I think that the House should have that as a formal report. So I undertake to table it in the House and if the House is so minded to have the committee meet to review what has been done in the regulation project in detail, I'd certainly have no objection to that at all.

MR. G. MERCIER: Well I raise it because something should be done about that existing committee. It's in the rules and it's supposed to meet regularly to review regulations. It hasn't for a long, long time because everything was backed up so far when we last tried to do it eight or nine years ago, and either the committee is going to be asked to do a job, and maybe it's more a matter for the House to decide but it would be, I think, guided a great deal by the Attorney-General's ability to do the work on an annual basis for the committee. Perhaps the Attorney-General just might consider that existing committee and what he would recommend be done with what it's supposed to be doing.

HON. R. PENNER: One of the tasks undertaken by the Regulation Review group is in fact - and I don't know if it's referenced in the report that was circulated; I was looking for a fuller report. But in any event, one of the tasks undertaken is - I think I have it here now - to look at the whole question of the way in fact in which the regulation process takes place. One of the group, Val Perry, is working on possible revisions to The Regulations Act so that we can, in the House, look at what we want to do with the regulation process as far as the House function is concerned. So yes, we will be looking at that and in due course, something will be brought forward to the House for its consideration.

MR. G. MERCIER: Sometime ago, the Attorney-General indicated that he would have all legislation reviewed from the point of view of Charter compliance. Is that done in civil legal services or in legislative counsel or is it being done?

HON. R. PENNER: It's being done in a number of ways. We've made small grants to, first, the Charter of Rights Coalition, a broadly-based women's group doing an audit of provincial statutes insofar as compliance with Section 15 is concerned and we've had one report and I think there's a subsequent report that will conclude that audit; made a relatively small grant to the League for the Physically Handicapped for the same purpose. So we're getting as much external input in that way as we can.

In addition, the Law Reform Commission undertook a study of all the family law that deals with property questions, devolutions of estate, dower and so on, both with respect to modernizing these laws and, in the process of so doing, to try to bring them in line with what the Law Reform Commission conceived to be the requirements of the Charter.

We now have a member of our staff who is charged with the responsibility of working with the head of the Family Law Department, Robin Diamond, to try and mesh the recommendations of the Law Reform

Commission and of the Charter of Rights coalition so that a major revision of family law statutes, particularly with respect to property, might be undertaken to bring them in line with the Charter. That, basically, is the way in which the work is taking place.

Another member of staff has an ongoing assignment to review statutes with respect to compliance with Section 8 of the Charter, and the member will recall that we have now brought in two bills for Section 8 compliance, and I anticipate there will be at least two more before we have been able to deal with all of the provincial statutes insofar as Section 8 is concerned.

MR. G. MERCIER: Who examines the existing bills before they're presented to the House?

HON. R. PENNER: We have a Legislation Review Committee headed by myself. There's a requirement that when a Minister submits a proposal for legislation, and that's submitted in the first instance to the Legislation Review Committee, that submission addresses the question not only of resources and resource implications but Charter compliance. That's the beginning.

If, in a quick review of the submission, it's thought that even though the submission may not have identified a Charter problem there might be, we then refer it to a member of either the Constitutional Law Branch or to another member of the legal staff of the department to see if, in fact, there is a Charter problem.

MR. G. MERCIER: Did the Attorney-General then review the Minister of Health's bill, I think it's No. 53, with respect to compulsory payment of MMA dues?

HON. R. PENNER: That came up late in the Session, I must say, but it was my view, and I haven't, quite frankly, checked it out with my own staff, but the Minister's staff may have checked it out - I'll look into it - but it was my view that there was no Charter problem at least on the surface.

MR. G. MERCIER: Would the Attorney-General undertake to review it with staff, then, within the next few days and advise whether or not he believes there is a Charter problem?

HON. R. PENNER: Yes.

MR. G. MERCIER: We're prepared to pass this item.

MR. CHAIRMAN: 3.(a)(1)—pass; 3.(a)(2)—pass; 3.(b)(1)—pass.

3.(b)(2) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I raise I think a comment with respect to this particular section not out of any concern for the quality of work that's being done by Legislative Counsel or by any member of his department but perhaps even more out of a concern as the Opposition House Leader and having heard concerns expressed by many in our caucus as to the availability of Legislative Counsel during the Session since they have moved out of the building.

I know a number of my colleagues, particularly more so in the past, it always seems that the demand for

the Legislative Counsel's services is more in the last half of the Session than the first half, although I guess things are proceeding at a more leisurely pace at the beginning of a Session and members are prepared to communicate by mail or telephone, etc. with regard to perhaps preparation of private members' bills or suggested amendments.

But as the last half of the Session is on, there are more and more concerns and needs by particularly members of the Opposition to meet with Legislative Counsel to discuss certain issues. I've had a number of concerns expressed to me by members of our caucus that they have found it very, very difficult to communicate with Legislative Counsel.

The Attorney-General had indicated in December of 1984 that Legislative Counsel would retain an office in the building so that he could be available to all members of the House, particularly during the Session.

I raise the matter again because it is a real concern and perhaps there should be some sort of schedule or bulletin or memo to all MLA's, and I speak particularly for members of the Opposition so that they know when someone is in the office, if the office still exists in the building, and when they can contact Legislative Counsel. I know the Legislative Counsel sometimes may feel that they may be there and there may not be any calls from private members, but surely they can bring work with them that has to be done.

As I say, particularly during the last half of the Session, I think it's important that they be more available than they have been so far. I know that obviously they've been busy and that's why they've been difficult to reach. We certainly don't want to interfere with that, but if they're here so a member could drop into the office and speak to them about a problem that they might have, I think the service is going to have to be improved in that area.

HON. R. PENNER: The member raises a very good point, and he is right, that we did give an undertaking that we would try to retain an office for Legislative Counsel, that we would retain an office for Legislative Counsel in the building.

What has happened is that with Legislative Counsel moving over to the ICG Building, that particular suite of offices which occupies, as the member will recall, what could be a ministerial suite, is being redone, it's under construction; but we presently have under consideration a plan that is looking at the development of the whole of this building to make sure that it meets the needs of members and departments. In the course of doing that, I will make every effort to ensure that there is an office for Legislative Counsel. That's one approach that is under consideration.

There is another approach under consideration which the member and the member's caucus might want to consider, and that is the possibility, if funds can be found, of having someone appointed as counsel to the House so that there's someone who, in fact, is not a government counsel because there is a conflict, in a sense, between a person being Chief Legislative Counsel, who is actually part of the Department of the Attorney-General, and yet having to respond to members of the House and wear the hat of independent counsel. We think that this is a legitimate concern and

we want to look at that, in which case the person may not have to be a full-time person and would be required for when the House is in Session, but certainly would have to be located somewhere in this building.

We're also looking at technology which might help us in establishing better communications between the IGC Building and here. So the concern is a good one, properly raised, we are looking at it, and I would like to assure the member and other members that it will not be left unaddressed.

MR. CHAIRMAN: 3.(b)(2)—pass.
3.(c)(1).

MR. G. MERCIER: On (c), Mr. Chairman, the Attorney-General had indicated that there was a typographical error here because he has been suggesting that through the amendments to The Law Society Act, creating the Law Foundation, that the Law Reform Commission, with a grant of \$50,000 from the Law Foundation, would have \$50,000 more than they had last year. But if you look at the numbers, they're down \$50,000 in the Estimates. So if they're getting \$50,000 from the Law Reform Commission, they're simply back where they were last year.

It's always been my view that the Law Reform Commission has provided a very valuable service to the people of Manitoba at a very inexpensive cost. It's worked that, as we've just discussed with respect to Legislative Counsel, certainly, with their numbers, they no longer have the time to engage in this law reform area. This is done quite independently of government and I think the people get very good value for their money. I would be concerned that the Law Reform Commission would be left at the same expenditures. Well, it's the total because when you look at Other Expenditures, too, there's a \$50,000 drop, so it's a \$100,000 drop from last year.

Now before going further, perhaps the Attorney-General could explain what he said was a typographical error.

HON. R. PENNER: What in fact happened and has now been rectified, and I'll explain how, is that in looking at the mechanics of bringing the Law Foundation and its processes on line, there was a misunderstanding of how that was to be reflected in this particular appropriation. So the Treasury Board has in fact passed formal approval of an additional 100,000 that is to be found on that line, so it would, in fact, read 336,500 and, in addition, has directed and we are able to transfer \$40,000 from within that appropriation to the Law Reform Commission. The net result will be that the Law Reform Commission will be \$50,000 to the good.

MR. G. MERCIER: As compared to last year?

HON. R. PENNER: As compared to last year.

MR. G. MERCIER: That's with the grant from the Law Foundation?

HON. R. PENNER: What will happen is that from Consolidated an additional \$100,000 will go there, bringing it to 336,500.00. From within the appropriation,

another 40,000 will go, bringing it to 376,500.00. That's the \$50,000 more that it will have. Then the \$100,000 from the Foundation will be paid directly into Consolidated.

MR. DEPUTY CHAIRMAN, J. Maloway: The Member for St. Norbert.

MR. G. MERCIER: They will get 376,000, and the 100,000 from the Law Foundation goes into general revenue?

HON. R. PENNER: Yes, it's a circuitous route for the \$100,000 from the Law Foundation, but there is no other sort of legal way to do it this year until the Foundation is legally constituted.

Just look at it this way, \$100,000, although this may not be the exact sequence, will come from the Foundation, paid to Consolidated for that grant. We will have made the grant - in fact, it's been authorized by Treasury Board - to the Law Reform Commission so that it has its spending authority right from the beginning of the fiscal year. That's already been done by Treasury Board. In addition, from within our own funds an additional \$40,000 is being put on that line.

MR. G. MERCIER: Then what will happen in the next year? There will be a grant directly to the Law Reform Commission and their budgetary figure will be reduced.

HON. R. PENNER: We are just now working out the mechanics. We have to make sure that whatever we do is within the line of The Financial Administration Act and the General Manual of Administration. It's a bit of a peculiarity of having in this particular instance a grant made from an outside agency to a government agency. We want to make sure that we do it properly. So I can't tell you the exact mechanics of it in the next fiscal year.

What we're looking at is that we may have to amend The Law Reform Act to give it the authority to receive funds and administer it directly.

MR. G. MERCIER: Mr. Chairman, it seems to me that the work of the Law Reform Commission should be of sufficient importance to be a priority of government and that its continued ability to be able to do that job should not be dependent upon receiving a grant from an outside organization even where the Attorney-General has the majority of the board and appoints the chairman because that may not last.

But I can see an independent Law Foundation making a grant to a body like the Manitoba Law Reform Commission to do a particular piece of work that an independent board of directors of the Law Foundation, representing a number of groups in society and lay people, I think is important enough to justify that type of a grant, but it seems to me what the Attorney-General is doing to a certain extent, perhaps in a limited way, is making the ongoing work of the Law Reform Commission subject to receiving a grant from an outside organization. It would be my view that their work is of sufficient importance and priority that the government should continue to fund the Law Reform Commission on an ongoing basis in an amount sufficient to carry on its work in an ordinary way.

HON. R. PENNER: I concur with that and I'm advised the Law Reform Commission has expressed the same concerns in writing that the government's commitment to the Law Reform Commission remains firm.

I suppose one thing that might be considered if it became necessary is, given the unique nature of the Law Reform Commission, embodying a core grant to it from the Foundation in legislation, but underlying all of that should be the government commitment to continue to fund the Law Reform Commission at an acceptable level. Certainly that is our intention.

MR. G. MERCIER: Who is presently on the Law Reform Commission? There has been one change lately.

HON. R. PENNER: The chairperson is Cliff Edwards and the current members are Lee Gibson, Knox Foster, Gerry Jewers (Judge Jewers), and one other member - I'll just get it from my briefing book - and Professor John Irvine from the Faculty of Law. So we have Cliff Edwards, Judge Jewers, Knox Foster, John Urban and Lee Gibson.

MR. G. MERCIER: Mr. Chairman, I wonder if the Attorney-General could indicate when Dean Edwards' contract runs out how much longer will we have the benefit of having him on the Law Reform Commission? It seems to me there was an agreement with the university.

HON. R. PENNER: Yes, but just fortuitously had confirmed. He had an indication from Dean Edwards that he wanted to resign his position as head of the Law Reform Commission effective December 31, and that has now been confirmed and I've accepted that resignation with regret, and we'll be presently looking around for a replacement.

MR. G. MERCIER: Mr. Chairman, did his contract run out?

HON. R. PENNER: His contract, I think, would have another year. Yes, expires June 30, '87. One of the reasons, as I understand it, for the earlier retirement as he was asked by Dean Trevor Anderson of the Law School because of some health problems that another member of faculty has to teach an additional course in the second term of this academic year, to take over the teaching of the trust courses it happens. So looking to the expiry of his term in any event on June 30, '87, and anxious to get back to his teaching responsibilities, Dean Edwards has resigned effective January 1 when he will be resuming his additional teaching duties.

MR. G. MERCIER: Well, Mr. Chairman, I think it certainly would want to go on the record as indicating, I believe, that Dean Edwards did an excellent job at the Law Reform Commission, and I'm sure the Attorney-General will have a great deal of difficulty in replacing him with someone with the same degree of ability.

HON. R. PENNER: I concur heartily. It will be difficult to replace him.

MR. G. MERCIER: Mr. Chairman, I had one further comment to make, if one looks at the Annual Report

of the Law Reform Commission, and particularly at Page 23, the commission has outlined its recommendations from its first report through to its 13th report. It seems when you look at Page 23, that they have made a number of reports since 1983-84-85, but there has been, as opposed to the previous number of pages, little follow-up or legislative activity by the government and very few of those reports have been implemented. I wonder if the - a number of which are dealing with, for example, I could think of The Dower Act Report and a number of other matters that are fairly important - could the Attorney-General indicate why there has been what appears to be so little follow-up to the recommendations of the Law Reform Commission in the last few years?

HON. R. PENNER: First of all, in general, I should point out that Manitoba still remains the jurisdiction in the whole Commonwealth which has fulfilled more of its law reform recommendations than any other. When one compares what we've done here - and under both governments - in terms of following its recommendations with the national Law Reform Commission with respect to which you can't point to one single enactment after 12, 13, 14 years the record is good, but nevertheless we can't rest on our laurels.

As I indicated in response to a question just a few moments ago, some major recommendations that have been made currently with respect to The Dower Act, The Married Womens' Property Act are now under active consideration. We want to mesh them with some of the proposals, or at least analyze them in light of some of the proposals we've received from the Charter of Rights coalition, and one can anticipate a fairly major family law piece in the next Session.

So, too, we're looking - and I've discussed this briefly with the Member for Morris - at its recommendations apropos The Human Tissue Act. I would think that once we've crossed the hurdle with respect to prejudgment interest, I'd now want to look at structured settlements. So I can assure the member that we are not losing sight of the recommendations.

MR. DEPUTY CHAIRMAN: 3.(c)(1)—pass; 3.(c)(2)—pass.
3.(d)

MR. CHAIRMAN: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, the Manitoba Advisory Council on the Status of Women submitted a report to the government in early 1986 which indicated that separated women suffer a lower standard of living than men, routinely have their maintenance payments cut when a former husband remarries, etc., recommended a number of changes in The Family Maintenance Act. Is that a public report that the Advisory Council on the Status of Women made? I believe the report went to the Attorney-General.

HON. R. PENNER: It wasn't a formal report. It was almost in the nature of a letter, but certainly not private and I think it was copied to members of the Opposition, but if the member doesn't have it, we are quite willing to let him have a copy.

MR. G. MERCIER: Is there any research going on into those suggestions on whether or not there should be changes to the act?

HON. R. PENNER: One of the things - not presently at this moment, but in terms of what I said that would be our consideration of family law legislation, for I hope the coming Session of the Legislature, there are in addition to those changes dealing with property questions to bring them into conformity with Section 15 of the Charter particularly, two areas that we want to look at. One is this question of the undoubted disadvantaged position that separated women are in economically - I'll come back to that in a moment - and the other is the question about which there's been a lot of discussion recently, a lot of new findings of joint custody.

Just on that latter, the member may recall that the Carr Report recommended joint custody. At the time when we received the Carr Report, it was submitted to 20, 30, 40 different community groups and the overwhelming majority of the groups responding on that issue cautioned against joint custody. I think there's a lot more evidence in that I suggest we ought to have another look at joint custody. I personally think that there's a lot to be said for joint custody, so that is one thing.

With respect to the other - that is the question of the undoubted fact that women end up in a disadvantaged position following a separation - it's a little more complex but nevertheless I think something has to be done. It's a little more complex because one has to leave, I think, a certain element of discretion to the judge in arriving at a just settlement of that particular issue in separation or divorce. At the same time if the area of discretion is too wide, it seems on the basis of evidence now available, that discretion for whatever reason - and I say, it seems - tends to operate against women.

MR. G. MERCIER: Well, Mr. Chairman, I think their concerns are not unique to Manitoba. There have been a number of studies in other jurisdictions that indicate the same point. Frankly, it's a matter that should be looked at and should be dealt with because it's something that shouldn't be allowed to happen.

In that area of Family Law, could the Attorney-General indicate if he has received many complaints about legal costs in family matters?

HON. R. PENNER: No, not many, from time to time, but it's usually contained in a general complaint about the outcome of the particular matter. The aggrieved party who complains is generally one who feels, rightly or wrongly, that he or she has come out on the wrong end of a judgement, the wrong end of the process, and complains about that, complains about the quality of justice, complains about the costs. I'm not saying, incidentally, that these are just the complaints of losers; I don't want to be misunderstood, but that's generally when I hear about those complaints.

There are, I understand from the current annual report of the Law Society, a number of complaints that are made directly to the Law Society about fees and the Law Society has a mechanism to deal with such

complaints. Whether or not it's fully satisfactory, I can't say, but they do at least have a mechanism in place for dealing with such complaints.

MR. G. MERCIER: Mr. Chairman, may I say to the Attorney-General that I have received - and I don't do that particular kind of work, so that's not why I received the complaints but in discussing with people - people have been receiving enormous legal bills in Family Law matters. They're simply astounding; not that perhaps the bill isn't justified because the time has to be spent if the parties want to argue over every little matter and not come to a settlement, but in the light of - and certainly many of these have come to the attention of the public through the media, through complaints made to the Law Society - has there been or is there consideration being given to reviewing the whole settlement process of these Family Law disputes because for the kinds of costs that we're talking about in many of these cases where the lawyers can justify \$15,000, \$20,000 bills, the assets of the average people caught in this situation are simply eaten totally up.

Surely there has to be in the light of those kinds of costs to settle in many cases fairly average matters, I would think that some consideration should be given to reviewing that whole process in determining whether or not there is a more expeditious way of resolving all these matters.

HON. R. PENNER: I agree and let me indicate the following.

Firstly, with the establishment of the Family Division, and now with the experience that it's had, particularly with respect to pretrial conferences and mediation where, if I'm not mistaken, as little as 10 percent of the cases that start as formal statements of claim or petitions and responses, end up in actual trial. What we're getting as a result of the Family Division, the unified Family Court, is expeditious settlement. That of course is being reflected in lower total fees on the whole.

In fact I think that in response to the member's question, it would be useful - and I'm going to accept that as a suggestion - to have our Research and Evaluation section do a bit of a longitudinal study to see exactly what is happening as a result of this division. The member may recall we were looking at, through the Research and Evaluation section, extending the jurisdiction of the Family Division throughout the province; that's the Family Division of the Court of Queen's Bench.

Secondly, as a partial response, looking at the lower end of the income spectrum we have, as I indicated in my opening remarks, raised the eligibility guidelines for Legal Aid so that we're somewhat higher up the ladder of those in need and their legal services are provided free. In that connection, we've amended the domestic tariff to provide a somewhat more satisfactory remuneration to Legal Aid practitioners taking a Legal Aid Certificate in a family matter.

Finally, a matter that I'm interested in personally, but at the moment is not a direct departmental interest, in meeting the needs of those who are faced with the cataclysmic legal event of a separation - and nothing could be more cataclysmic in all of its connotations -

and faced often, if they're not eligible for Legal Aid, are faced with what can be formidable costs if indeed the matter is not resolved early in settlement, the development of legal assistance plans in the private sector.

As you know, the United Automobile Workers pioneered a plan in Windsor - the Prepaid Legal Plans is the term I was looking for - I was a member of the national board on the Prepaid Legal Plans that worked out of the University of Windsor, the Faculty of Law, and was in on some of the early developments of that particular plan. It was at first resisted by the Law Society of Upper Canada, who have now come to terms with the fact that that indeed is a way of meeting the problems of what are called "the new legal indigents", those who really can't afford this cataclysmic event and yet are not eligible for Legal Aid.

I would hope and I would like here in response to the question, make a plea to the Bar and to the Law Society, to itself take the initiative because some law societies are recognizing their own responsibility to help develop such plans.

MR. G. MERCIER: Mr. Chairman, I would be very supportive because many people get caught in this situation. They're faced with an absolutely enormous expense to resolve a matter and I would encourage that type. In fact I could remember looking at that when we were in government, just in a preliminary sort of way, because I think it's the kind of thing we ought to develop in Manitoba.

On another Family Law matter, Mr. Chairman, a few years ago the Attorney-General put through an amendment to allow someone outside of the husband or wife to apply for custody of a child. At the time, I expressed a concern that has been expressed to me by a number of people, that I could see the validity of a grandparent having the right to apply for access where a grandparent had been, let's say the father's parents, had over a fair period of time had seen the grandchild on a regular basis and developed a real relationship with the child. Then you sometimes have the situation where the mother and father separate, the mother might get custody of the child and not allow the father's parents, the paternal grandparents, to see the child. And it, regrettably, has happened, and I could see the validity of an amendment to allow a grandparent like that having the right to apply for access to the child.

But we have seen what appears to be some bizarre cases over the last few years with former boyfriends, not even the father of the child, having gone out with the mother for some limited period of time, applying for access to the child and certainly throwing the mother's situation into turmoil for a period of time until the matter was resolved.

I don't think that's what was, in any way, intended by the changes that the Attorney-General made. I'm wondering if, as a result of these cases that have occurred over the last few years, whether the Attorney-General would consider an amendment to that act. Perhaps, we should be just dealing with the right of grandparents. I don't think the public generally would object to that. Generally, I don't think the parents of the child involved should object to that. But it seems to go further than that, is becoming a very direct

interference with parental rights. I'm wondering if the Attorney-General, as a result of these cases, is considering any amendments to the legislation.

HON. R. PENNER: First of all, I think we have to distinguish between custody and access.

MR. G. MERCIER: I'm talking about access.

HON. R. PENNER: It's the access question. I am only aware of the one case, and I certainly agree with the characterization by the Member for St. Norbert, that the outcome at the trial level was bizarre, and one has to assume that not all of the facts were before the learned trial judge.

But in any event, fortunately it was set right by the Court of Appeal, and one must sympathize with the turmoil that the mother was in at the time that the order was made.

I am certainly prepared to discuss with the Minister of Community Services, who also has a concern with respect to the child custody legislation. We'll have a look at the section. I think that the member himself agreed that there are circumstances in which it would be contrary to the best interests of the child, which must always be the overriding concern and in a sense a bit inhuman in terms of excluding grandparents to not afford some opportunity for grandparents to have visiting rights.

I guess, in some ways, they're the ones who are often hurt the most. No one is, I think, in a sense more devoted to young children than grandparents, and they get all the love lavished upon them without any of the duties and responsibilities of getting up in the middle of the night. — (Interjection) — It won't be that long. Yet, through no fault of the grandparents, separation takes place and custody is given to, let's say, the maternal grandparents, and the paternal grandparents are cut out from any access.

But at the same time we want to make sure that a provision like that is not the gateway to inappropriate people having a legal right to subject the custodial parent to unwanted and potentially hazardous visiting arrangements. I concur, we'll look at it.

MR. G. MERCIER: Mr. Chairman, I'm just trying to find the reference - here it is - the reference to expansion of maintenance enforcement to outside the city.

HON. R. PENNER: It's partly in the supplementary material at Page 31, where two of the 6.26 positions are found, and another 4.26 are found under Court Services.

MR. G. MERCIER: One of the questions I wanted to ask is: Have the federal amendments that certainly we, as a province, have been requesting in essence for a long time, have they helped very much, or is there enough experience yet to indicate how much assistance that has been giving in the enforcement of maintenance orders?

HON. R. PENNER: There hasn't been enough experience. I believe they were proclaimed effective July 1. It may be September 1. But obviously, even if

July 1, there's not enough time to evaluate the result. We're confident that these provisions will assist greatly in maintenance enforcement by helping both to track wandering spouses who are seeking perhaps to escape their responsibility under a maintenance order and to assist in the maintenance function by identifying income that might be attached for purposes of satisfying the maintenance order.

I think it's a good piece of legislation, and our own Family Law Department played a very significant role in its shaping. We'll be able to report more fully on its effect at the next Estimate go-round.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Mr. Chairman.

In terms of the Family Law movement, I was very pleased to hear that the Minister is in fact willing to relook and rethink the whole concept of joint custody. I think much of the legislation that we have introduced, and it's been very good legislation, has been there and necessarily there to protect the women, but I still don't see enough movement in fact in place to protect the children. Certainly, the most recent literature that I have read indicates that the joint custody arrangements that are evolving are, in fact, providing better parenting to the children as a result.

One also wonders if, in fact, there may not be less difficulty in collecting maintenance in the cases where there's more participation in the decision-making with regard to the children and their schooling, their medical care and other issues.

One of the concerns I have thought at the present time and with our present legislation is with regard to the mediation process. In your opening remarks I got the impression that you felt that it was less than satisfactory. I wonder if it is less than satisfactory because it is not compulsory.

HON. R. PENNER: There are two parts to the intervention and I'll respond to both of them.

With respect to the second one, yes, there was a recommendation by Associate Chief Justice Hamilton, who headed the division at the time that we were shaping the legislation, that we consider making mediation compulsory. It was felt there was almost a contradiction in terms that mediation, which is compulsory, will not really result in true mediation. What has in fact developed is, as I mentioned earlier, the notion of the pre-trial conferences, which are compulsory. That is working very, very well. So the combination of mediation and the pre-trial conferences are in fact producing these settlements.

I didn't want to infer, and if my language was careless enough to infer, then I want to modify it now, that mediation was unsatisfactory. What I really wanted to say is that mediation often does not lead to a settlement and we have the backup of the pre-trial conference.

We prefer to have a go at mediation first and would hope that the parties both recognize that a mediated settlement is going to be one which eliminates the winner-loser syndrome and is one with which both parties can live much better than an enforced settlement, i.e. an order. Where mediation works, I think the results are good. If it doesn't, if we think that there

may be a misunderstanding or that a little bit of judicial pressure - and I mean a little bit of judicial pressure - would cause a recalcitrant or unduly stubborn party to realize that in terms of the law as explained by the judge, they're apt to end up with the kind of order that's being suggested through mediation in any event and maybe it would be better to agree on it.

The other thing I wanted to mention, which is related to the joint custody, one of the complaints that has been made by fathers' groups - now there are two fathers' groups with slightly different names - it in effect says, hey, you talk about equality rights; you've got this whole elaborate system for enforcing maintenance orders, most of which are directed against men, what about some mechanism for enforcing access orders? I think that's a legitimate request.

We have under way a pilot project, headed by the head of the Family Law Department, looking at what would be the implications of some assistance by the state in the enforcement of access orders, where no legislative changes are required at this time but it's a question of some data analysis and the data analysis has taken place and a report is being written at this time. We'll be looking at that.

MRS. S. CARSTAIRS: I'm glad, in fact, that the Minister of Education is here, because he can listen. I've had a number of complaints, for example, from fathers and mothers who have not had custody, the fact that they cannot get access to their children's report cards, even though they are a parent who is, indeed, paying maintenance. They still can't get that kind of information about Johnny or Mary. I would like that kind of access to be studied as well because I think access to their medical records, access to their school records is certainly the right of a parent.

HON. R. PENNER: In fact, we amended the legislation two Sessions ago and that is now a statutory requirement, that the non-custodial parent does have the legal right to school records, medical records, and some other records mentioned in the statute, so that any non-custodial parent denied access can get a court order.

MRS. S. CARSTAIRS: I was aware of those changes. The point is that having that right in law is the same as having the right to access to your child in law; it doesn't always mean you do get access to your child, nor access to the records, without the necessity of further court action.

HON. R. PENNER: Although it's less likely to be frustrated than access because there it's a demand on a third party who isn't emotionally involved and is more likely to be responsive to the terms of a court order. As we all know, access orders are often - if a parent simply doesn't want the non-custodial parent to come around, there's a thousand and one ways to frustrate them. That sometimes leads to very, very bad situations. It sometimes leads to violence.

MRS. S. CARSTAIRS: One final question. In terms of the mediation route, is there some means by which mediation can be achieved without going through

lawyers and incurring that kind of expense? I mention that because even in making phone calls myself, I was told it would be better and you could get it faster if you went through a lawyer. Somehow or other, I think that if a couple wants mediation and can settle this with a limited legal bill, they should be afforded that opportunity.

HON. R. PENNER: The point is well taken. Although, technically, legally it is possible for a person to undertake legal proceedings in the Court of Queen's Bench under the aegis of the mediation unit, it's difficult. One of the things we're looking at in our evaluation of the expansion of the Family Division is the way to allow more people to access the mediation unit without having to go through the formalities of actually filing the paper in court and being there.

There are, also, groups under the auspices, for example, of the Mennonite Central Committee. There's another group, Mediation Services, and we're doing an evaluation of Mediation Services - I'll find the records - but there is actually an evaluation of outside mediation services presently under way. Project 32 out of 39 or 42 - we have a lot going - out of about 60 projects: Mennonite Central Committee Mediation Services. We're doing an evaluation of this kind of private sector, if you will, mediation service to see how we might use such services.

MR. CHAIRMAN: 3.(d)(1)—pass; 3.(d)(2)—pass.
3.(e) Constitutional Law - the Member for St. Norbert.

MR. G. MERCIER: There was a press report in the past few weeks describing a meeting between the Catholic Schools Trustees, Mr. Brock, etc., and the Attorney-General and the Premier, an indication and the quotation that the Attorney-General said he did not have a legal opinion on the validity of the claim that is being made by the Catholic Schools Association. A number of months ago, there were reports that the Attorney-General had a legal opinion at that time as to the validity of the claim that is being made.

Could the Attorney-General indicate which account that he is reported to have given is correct?

HON. R. PENNER: No, I have never said that I don't have a legal opinion. In fact, I have a legal opinion and I was asked to release that legal opinion by the solicitor for the Catholic School Trustees Association. I said, well, I'll consider it if you let me have yours. He wrote back and he said, well, I think we had better have our opinion privileged. I said I think I would prefer to treat the opinion we have as privileged.

However, I can tell you what the gist of it is. The gist of the opinion was that since that particular section of Section 33 of The Manitoba act - or 22 of The Manitoba Act. I believe, it's 33.

It seems, in effect, to say that the funding which the state, the province, has to provide the Catholic minority is the same as was provided just before the coming into Confederation. There is conflicting historical data. One set of historical data seems to suggest that there may have been the equivalent of state funding through the Hudson's Bay Company or the Council of Assiniboia prior to July 1, 1870. Another set of data says that is not so.

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So it's really more almost a matter of historical research than of constitutional interpretation, it seems to me. In any event, that's the gist of the material that I presently have.

In any event, what we've said and it wasn't only to the Catholic School Trustees Association but the representatives of the Federation of Independent Schools, is that we haven't closed our minds on the issue. We want to look at what we can do within the resources available to us, and I have to leave it at that. That's where it is.

My own hope is that the matter can be resolved without the intervention of the Governor-General-in-Council, because you'd get to a peculiar kind of a constitutional situation in which, if the Governor-General-in-Council was so minded, it could direct a remedial order. But if the Province of Manitoba said, whoever might be the Governor, we're not going to follow that remedial order, then the Parliament of Canada would have to pass a bill directing the province to fulfill the remedial order. The thought of the Parliament of Canada tying itself up in knots, directing the Province of Manitoba to fulfill a remedial order passed by the Governor-General-in-Council boggles the mind at what that would do in terms of national consensus. I would hate to see anyone take us down that road, quite frankly.

Yet at the same time, we've got some problems that we have to look at in resourcing the whole of the school system. It has been said - and no one would deny, certainly not the Minister of Education, who's timely departure from this committee should be noted. — (Interjection) — That's unparliamentary. I withdraw the remark. As much as we may be doing for the universities, it's not enough, for example. You're looking at one particular pot labelled education; there are a lot of demands on that pot.

So I hope we can work something out that is satisfactory. The claim of the independent schools is not on the same basis. It doesn't have the constitutional basis, but I would hope that we can find an approach that doesn't differentiate between one claim and the other.

MR. G. MERCIER: Mr. Chairman, has the Attorney-General or his department made representations to the Secretary of State? As I understand it from the press, the Catholic schools either have or are attempting to have their petition delivered to the Secretary of State.

HON. R. PENNER: At the meeting which was referenced by the member, it was reported that the association had not yet had an opportunity to meet with the Secretary of State, and presumably still hasn't had the opportunity to do so to see what the Secretary of State and the Governor-General-in-Council proposes to do, if anything. So we're at a very preliminary stage on that road.

MR. G. MERCIER: That's right. There are no rules of procedure in this kind of a matter. What is the intention of the Attorney-General, assuming and I would regret that it would not be the case, that with respect to this matter there will be a political resolve to it and compromise?

Does the Attorney-General intend to make representations to the Secretary of State after the Catholic School Trustees have delivered the petition and met with the Secretary of State?

HON. R. PENNER: If we reach the stage where we were unable to come to a resolve, a resolution, and we were then advised by the Secretary of State that they had formally accepted the petition and that it was all in order and that it would be reviewed by the Governor-General-in-Council or, as I think is permitted, the Governor-General-in-Council would set up some way of hearing the argument for and against the petition, yes, we would I think be duty-bound as the government of the province to make representations.

Now, what those representations would be, I really am not in a position to state at this time. That's not because I'm being coy - coyness is not one of my attributes - but because that would have to be developed together with the Constitutional Law Branch very fully and in a very detailed way.

MR. G. MERCIER: Mr. Chairman, what is the status of these matters? The Attorney-General talks about if there is no resolve there is no agreement with the Catholic Trustees or the Independent School Association. Well, as of now, there is no agreement with them. Certainly from what we, as members of the public, see there is no possibility of that taking place. The trustees are in the process, it would appear, of attempting to find the Secretary of State to deliver this petition to him. It's then in his hands. There is no requirement for him to give any notice to the Attorney-General or the Government of Manitoba.

It would seem the Attorney-General has taken no steps with the Secretary of State to inform him of his position. In fact, he has just said he's not sure of the province's position. So the whole thing seems to be in a bit of a muddle, to say the least.

Is there a commitment from the Catholic School Trustees, whom the Attorney-General has met with, that they will advise him when the Secretary of State receives this petition? Is there some sort of time schedule for the Provincial Government to negotiate what might be called a settlement with the Catholic School Trustees, or preferably the Independent Schools Association?

HON. R. PENNER: With respect to the meeting which has been referenced, I attended the first part of it which tended to be more of an informal discussion because the Premier was delayed in attending the meeting and they didn't want to make the formal submission without the Premier. I was then called out and was unable to attend the last part of the meeting, so I can't really tell you what the results of the meeting were in that respect.

Certainly, I would not say that things are in a bit of a muddle. There may be some procedural matters which are a matter of uncertainty at this stage, because that kind of mechanism was only used once and that was, of course, in 1895, which gave rise subsequently to the Manitoba school question cause célèbre. But it's not in a muddle in this sense. I think I can say the Premier has said, the Minister of Education has said, that the position of the government is that we would have to oppose a petition that asked for, in effect, equal funding

to the public school system. When I say "have to" because the present advice I have is that there doesn't appear to be - and I say this with some diffidence - there doesn't appear to be a constitutional requirement that we do so.

So what would happen if it got to the formalities of a petition being presented and a hearing being set, we would have to do, as we're continuing to do, a very, very extensive piece of research on exactly what was funded and by whom just prior to July 1, 1870. That's basically where the concentration would be.

MR. G. MERCIER: It's difficult to go further with the subject, Mr. Chairman, when the Attorney-General indicates that he wasn't there for the last half of the meeting, that the Premier was, and he doesn't know what the agreed-upon conclusion was to that meeting.

Can I ask the Attorney-General what other projects this department is involved in? I note there are six additional staff years.

HON. R. PENNER: The Constitutional Law Branch, the work of the branch has three basic components. One is ongoing research on some of the issues that are raised generally as they might affect Manitoba statutes. The other is actual advice to members of the Legal Services Department engaged in particular pieces of litigation that raise constitutional issues. The third is in terms of statute development.

On the latter of these three, I indicated earlier that they had just completed their work on The Constitutional References Act. That was one piece of work.

Similarly, a question was asked by the Member for St. Norbert yesterday about Section 31 of The Elections Act. The department prepared a very extensive brief which was the product of the work of two members of the department on Section 31 of The Elections Act.

The department is presently engaged as counsel in litigation that on the civil side attacks the validity of certain sections of The Labour Act, the Metropolitan Stores case, which it's called into question first contract legislation and other provisions of The Labour Relations Act.

Similarly, on the criminal side, as the member may have noted in the papers yesterday, I think there has been a challenge to the validity of recent amendments to the Criminal Code dealing with prostitution. So the Constitutional Branch is doing some research on the issues that are raised there.

There's an ongoing challenge presently before Mr. Justice Scollin of the Court of Queen's Bench on a very, very important section of The Mental Health Act dealing with enforced confinement. What's the term I'm looking for? Involuntary admissions.

So these are some examples. There are other examples.

MR. G. MERCIER: Is this department involved in that Labour Board case, the one in Manitoba?

HON. R. PENNER: The Metropolitan Stores one.

MR. G. MERCIER: Is the department representing the board in that case?

HON. R. PENNER: Yes.

MR. G. MERCIER: I see. They've received notice because of the constitutional argument?

HON. R. PENNER: Yes, right.

MR. G. MERCIER: Is the department speaking for the Attorney-General, representing the Attorney-General's personal position when they're arguing that prisoners should not have the right to vote?

MR. CHAIRMAN: I don't know if that question is in order, but the Attorney-General?

HON. R. PENNER: The Attorney-General has no personal position. I leave my personal positions on the front door of this Legislature when I climb up the steps every morning.

MR. G. MERCIER: He lost all his principles when he entered politics.

HON. R. PENNER: No, no, I just leave them on the front steps, recognizing that by tradition, principles have no place inside the building.

MR. G. MERCIER: But you'll pick them up for CBC Information Radio when you retire; is that it?

HON. R. PENNER: More seriously, clearly, as the member knows, the department really doesn't operate any differently now than it did when the member was Attorney-General - better but not differently in the sense that we basically have to start from the position of defending our statutes. We start from the position that we have a responsibility, that the Legislature has enacted a statute, and we start from the position that we are there as the legal arm of government to defend those statutes.

In doing so, we try to do so realistically. That is, to take the example of Section 31 of The Election Act, not having had the opportunity to really discuss, to fully research what is a very new matter because it's raised in connection with a breach of the Charter, we went before the court and defended that particular section of Section 31 and did so vigorously and with the best tools that we had available at the time.

The court, as we anticipated, I may say, at least as I did in any event, held against us but seemed to indicate in the language of its judgment that while a blanket prohibition of the kind contained in Section 31, at least that portion of Section 31, was constitutionally invalid, something of somewhat less breadth might be constitutionally valid.

In any event, I also had raised at about the same time by a judge of the Provincial Court his concern that he felt his constitutional rights as a citizen were being violated by the prohibition against judges voting, and he wanted to know what the intentions of the government were because if they weren't honourable, he would take us to court. I advised the judge that we really did want to look at that section but we certainly had no opportunity of doing so prior to the last election and that in the fullness of time we would be doing that.

Now that we're faced with some indication not only by a judgment of our own court but by judgments of

other courts that our legislation may be in trouble, the Constitutional Law Branch was asked to do a full review, and it did it and I now have it.

So what do we have? We don't have my personal opinions, I didn't do the review, but I have some people very learned in constitutional law who have made, I think, a number of - not recommendations - they've sketched out the options. I haven't had a chance to really study, I haven't had a chance to bring it to the attention of my colleagues, but we'll do so, I should hope, before the next Session of the Legislature.

MR. G. MERCIER: Mr. Chairman, the Attorney-General had indicated yesterday that the appeal would be proceeding, so I take it that will happen no matter whether the Attorney-General finds his principles on the doorstep somewhere, or Cabinet has a meeting to review the matter.

Does the Attorney-General - I wasn't going to pursue this but because of the Attorney-General's remarks I feel bound to - not agree though that he may, as Attorney-General, leave his principles on the doorstep - that the people who are ultimately going to — (Interjection) —

HON. R. PENNER: On a point of order, that was a facetious remark, so let the record also show that it was a facetious remark.

MR. G. MERCIER: Would he not agree though that the people who decide these issues, what are political issues, are going to be decided on the basis of their biases?

I just point out, as the Attorney-General is aware, that the discussions that have taken place in the United States during the past two weeks with the appointment of the Supreme Court Chief Justice and the other member before a congressional or Senate committee and all sorts of enquiries into their background and previous remarks.

I'm just raising the issue again because I find it very interesting that one of the major concerns on the part of the government may very well be the challenges to the labour legislation that are taking place. I should quote chapter and verse speeches about against an entrenched Charter, and telling the then members of the Opposition that one of the areas that will be seriously challenged will be labour legislation. Those are really political matters.

In this whole question of whether a prisoner should have a right to vote is not a matter that should be decided by a judge. It should be decided in the Legislature or the House of Commons. It's not a legal issue. It's a political matter.

HON. R. PENNER: I concur. I did want to note the unique, probably unintentional switch in the terminology used by the Member for St. Norbert, including principles and biases. I take the opportunity to point out that I have principles. It's the biases I leave on the doorstep when I come into the Legislature.

Yes, my principles may not in every instance be the same as my colleague's; they may not in every instance be the same as the Member for St. Norbert. In many areas there may be concurrence. I believe that we have

found concurrence from time to time which hasn't caused either of us any particular embarrassment. — (Interjection) — Most of them are underpaid.

But just going back to the work of the constitutional law unit, which is the really relevant matter - not that the other is totally irrelevant - it has the duty to provide a legal overview, a constitutional analysis and options. Then the government has to make up its mind as to what it proposes to do about the particular conundrum. I would agree that if there is a way in which we can legislate, that meets the constitutional requirements and is a matter of good public policy, we should do so rather than leave it up to the courts. You may remember, I've taken that position in other areas.

MR. CHAIRMAN: 3.(e)(1)—pass; 3.(e)(2)—pass.

Resolution 18: Resolved that there be granted to Her Majesty a sum not exceeding \$4,765,200 for Attorney-General, Legal Services for the fiscal year ending the 31st day of March, 1987—pass.

We now move to Resolution 19, Page 19, Section 4. Law Enforcement - the Member for St. Norbert on (a) Provincial Police.

MR. G. MERCIER: The supplementary information indicates that the provincial share of RCMP costs is now at 62 percent. I believe that's the maximum, is it not? Is it going up another percentage point?

HON. R. PENNER: Regrettably, it goes to 70. Yes, remember it's a 10-year contract. They've got us by the increments.

MR. G. MERCIER: Actually the Estimates would not indicate that high an increase, \$1 million on 27.8, considering that there was probably a salary increase in there.

HON. R. PENNER: As the member may recall what happens operationally with respect to the RCMP budget is that we start out with what is in effect an estimate year over year, and then the RCMP budget officers in Ottawa submit a counselor's quarterly and they're reviewed and paid. Then from year to year, there are adjustments.

In this particular fiscal year, there's both the starting projection of what the operation will cost us taking into account the 62 percent; taking into account salary increases of about 3.65 percent other increases; and there are certain reductions that can be affected in operating costs and there is a major adjustment re an '85-86 overpayment of 503,000.00.

What happened is because of the tragic occurrence in Ottawa of the assassination of a Turkish Embassy official, the Federal Government became very seriously concerned about Embassy security and they've pulled RCMP officers from just about every detachment and a number of RCMP officers were pulled from this detachment and that had the effect of reducing the actual amount that we're required to pay in the last fiscal year.

MR. G. MERCIER: How many Manitobans were recruited to the RCMP during the last year?

HON. R. PENNER: I don't know. I'll take that as notice.

MR. G. MERCIER: One of the legacies Mr. Ransom left me was his correspondence with the Attorney-General with respect to recruiting figures. I note in the material that the Attorney-General sent to Mr. Ransom on July 4, 1985, there was an indication from Mr. McCaffrey that he projected that 30-32 regular member applicants could be hired from the province in '85-86, although the statistics indicated in '83-84, that only two Manitobans had been hired as constables, although there are others as civilians and special constables. I'd appreciate if the Attorney-General could provide me with the numbers of Manitobans recruited in '84-85 and '85-86. I would think that information should be available.

HON. R. PENNER: Yes, I believe it should be available. I believe it is available and we'll certainly try to get it. Just a very general comment; I think may be reflected in the member's question and I may have missed it; the force is very stable. There's much less turnover than there has been and we've recently been faced with two phenomena. The size of the establishment has not changed significantly; maybe one or two. By establishment I mean regular members, special constables and civilians.

But we've had, first of all, a temporary movement of a number of people away on embassy duty but we had to hold the positions so there wouldn't be recruiting, at least for Manitoba positions. Those positions had to be held for those who might come back from what was considered a temporary assignment.

The other thing is, a number - I'm not sure of the figure; see if I can get it in a moment - but a number of RCMP who went over to CSIS, the Canadian Security Intelligence Service and had a year to make up their mind whether they wanted to stay there or come back to regular service; made up their mind that they wanted to come back to regular service. So the area for recruitment, nationally has been very, very small; much smaller than was anticipated because of that movement back. I don't have the exact figures, I'll get them when I get the full response to the question.

MR. G. MERCIER: Mr. Chairman, the Attorney-General indicated in a news release on June 20th that four new subdivisions were to be located in Gimli, Beausejour, Carman and Steinbach, which is just a reorganization of the Winnipeg subdivision. Are there any other changes in detachments for this fiscal year and have there been any proposed reductions . . . ?

HON. R. PENNER: There are some being considered in line with the very welcome breakdown of the Winnipeg subdivision so that there's more responsibility to Steinbach, to Carman, to Gimli, . . . other centre with some assignment of personnel. It's possible to look at some realignment of the detachments.

The RCMP has a formula - I guess is the word to use - as to what they expect as the workload per member in a given area. There are fluctuations and changes over time, partly reflecting population movement so that we're presently examining with a view to possible closure of two or three detachments.

That's at a preliminary stage but that wouldn't necessarily mean any significant reduction in overall

strength. That might mean, just as with the breakdown of the Winnipeg subdivision, some movement to other areas. We might be looking at the movement of some constables from area X to area Y. That might have a net result, indeed I would hope that it would have a net result of some savings, but it wouldn't be very considerable.

MR. G. MERCIER: Which detachments are being looked at in a preliminary way for closure?

HON. R. PENNER: Well, I suppose I should provide the answer. I certainly don't want to, in any way, avoid answering, except that when these things are a very preliminary stage, I don't want to cause unnecessary anxiety to people who feel that they might be moved. So I want to give the assurance that there will be lots of consultation if we get to the stage of beginning to effect such changes.

I'll give one example which perhaps comes readily to mind, where with the addition of some strength to Gimli, and you have an adjoining detachment only eight miles down the road at Winnipeg Beach, one has to look at whether or not we can justify the continuation of two detachments within eight miles when there's virtually no other place in the province that has significant detachments that close, one to the other. It may be that we would have to consider the closure of the Winnipeg Beach detachment, at least over the winter period, leaving a summer unit only when there is need for . . . So that's one area that would be looked at and is being looked at.

MR. G. MERCIER: But is the Attorney-General saying he will consult with the communities affected, the municipalities and the local organizations, well in advance of making a decision before a decision is made; or he is suggesting to simply notify them in advance that the decision is made, period and that's it because these things mean a lot to these individual communities. That's the one problem that would apply to any government department when you try to take any sort of service away nowadays. There's always a tremendous objection and even in the case of the Winnipeg Beach detachment, I would tend to think there would be a great concern from that town of Winnipeg Beach in itself because there the offices are shared with the town council offices. There's no question that once you put the detachment office somewhere else, whether it's real or not, there's . . . of perception that the amount of police cars doesn't go by as often. Whether it's real or not, that's certainly the perception and the problem the Attorney-General will have to deal with.

HON. R. PENNER: I agree. I can say categorically that before any final decision is made in this area or any other analogous kind of area, there will be consultation with the communities involved.

MR. G. MERCIER: Mr. Chairman, I refer to this matter on the day the legislature had the emergency debate on child abuse. The Winnipeg City Police Department has a child abuse unit. In fact I think there was reference to it in the research department in a project there. People have come to me and indicated that . . . people

who deal both in the city and outside the city, that the RCMP do not have the same degree of specialization or training in the area of child abuse. Can the Attorney-General indicate to me what policies or protocols the RCMP have with respect to child abuse?

Obviously they have a problem because they have all of the separate detachments spread across the province, but certainly one of the problems is that if you have one of these child abuse cases and you don't have people specialized in that particular field to know what to look for, etc. and how to investigate, they can muddle the investigation. Not only that, cause a great deal of problem perhaps to innocent parties or perhaps even lose a case that should be won.

HON. R. PENNER: First of all, the member's right. You can't have a specialized unit in every community, but we do have a specialized unit attached to GIS here in Winnipeg, and it's available as a resource group for any particular problem that arises in whatever part of the province where the RCMP police. There is training and there are trained people. There is, for example, a trained officer in Dauphin working with the videotape project up there now.

MR. G. MERCIER: The Attorney-General hasn't received any complaints then particularly on the role the RCMP have played in these child abuse cases outside the city?

HON. R. PENNER: I have no current data.

MR. G. MERCIER: I've no further questions on this.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: Just a couple in one particular area, in terms of the overall plan of the RCMP, which I realize is not within your jurisdiction, there seems to be some concept that they would like to get out of being a provincial police force for a variety of provinces. Are we doing any preliminary studies here in Manitoba about the establishment of a Manitoba provincial police?

HON. R. PENNER: No, we're not. We've had no intimation that, in fact, the RCMP are at anything more than a very preliminary examination of this kind of development. I believe that the member has reference to something that was contained in the Nielsen Report, but certainly we've had no formal intimation. The contract that we have goes to 1991, so there's a little lead time.

I would regret if we in fact had to forego the services of the RCMP and establish a provincial police force. This is not because I don't think we could do it, and certainly not because I don't think that there are Manitobans who would do very well in the position, but it's a very, very expensive proposition. Even if we are going to climb up to 70 percent, well it's no bargain. It's I think, in the net result, cheaper than would be the case if we established a provincial police force.

MR. CHAIRMAN: 4.(a)—pass.
4.(b) Law Enforcement Administration.

The time being 5:24 p.m., do you wish to call it 5:30 p.m. and adjourn? Adjourning at 5:30 p.m., we adjourn and we will reconvene at 8:00 p.m.

SUPPLY - NATURAL RESOURCES

MR. CHAIRMAN, C. Santos: Committee, please come to order. This section of the Committee of Supply is dealing with the Estimates of the Department of Natural Resources. We are now on Item No. 7.(a)(1) Forestry, Administration: Salaries; 7.(a)(2) Other Expenditures; 7.(a)(3) Grant Assistance.

The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, I wonder if the Minister could indicate whether the Birds Hill nursery is in operation.

MR. CHAIRMAN: The Minister of Natural Resources.

HON. L. HARAPIAK: Yes.

MR. A. DRIEDGER: Mr. Chairman, I wonder if the Minister could indicate what happened since last year when we dealt with the Estimates and the then Minister, the Member for Lac du Bonnet, indicated that they were closing the nursery at Birds Hill because it was not economically sound to operate it, that it was cheaper to buy shrubbery, etc., from the private sector and that the cost factor was too high.

Can the Minister indicate what the change was since last year if we are now operating the nursery again?

HON. L. HARAPIAK: Mr. Chairman, I think the member is probably aware that the Birds Hill tree nursery was initially developed to provide more ornamental shrubbery and that part was discontinued and is still not in operation, that that has not been re-established, but the stock that is being propagated now is for the purpose of improvement. It is not a production program for the purposes of supplementing the supply for stocking, but it is for the purpose of, shall we say, a tree improvement program.

MR. A. DRIEDGER: Well, maybe the Minister can be a bit more specific because last year when we talked about the Birds Hill nursery it was indicated it was being closed because it was not economical. There was no reference made to just shrubbery at the time; it was the nursery itself. Now, I understand that the nursery is in operation again and maybe the Minister can indicate. My understanding is that there is more staff employed now than there was last year at the time when there was talk of closing it. What changed the rationale? Last year it wasn't economical; now we are back into it again. They might have changed the variation of the kind of shrubbery or trees that were being raised there and we have more staff employed now than we had last year. If I am wrong on that, the Minister can correct me on that.

HON. L. HARAPIAK: Firstly, I should correct the Member for Emerson that there is not more staff employed there this year than there was last year;

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secondly, it is a question of doing some developmental work, some research work. It is not a question of supplying stock that we have from other sources, including some sources on a contract basis, and I'm not sure how the Member for Emerson would attach a price tag to some of the research work.

MR. A. DRIEDGER: Can the Minister indicate what is happening to the trees or the shrubs that they're raising there now? Are they for public use? Are they going to provincial parks? What is being done with them?

HON. L. HARAPIAK: No stock from the nursery is being distributed into other locations. It is a test facility on site; it is intended to augment the work of the forest nursery at Hadashville.

MR. A. DRIEDGER: Mr. Chairman, could the Minister maybe indicate where we're at with the jack pine budworm spraying program, the acreage that has been sprayed, the cost that has been involved, how much was allocated for that program this year and whether we're within the spending limitation that was allocated.

HON. L. HARAPIAK: Mr. Chairman, there were 27,000 hectares sprayed under the program; \$600,000 had been budgeted for the jack pine budworm. The final costs are not all in yet. In terms of the success of the program, I have indication that some test areas showed as high as a 99 percent reduction in larval counts, but that there are sites in which there was a lower rate of success. The total results should be in, in a couple of weeks. We'll have the final results of the jack pine budworm.

MR. A. DRIEDGER: Mr. Chairman, is the program successful in terms of controlling the budworm infestation? Is this going to be an ongoing thing like the Dutch Elm disease where we'll be spraying every year or is there some place where we can maybe ultimately see the end of the tunnel in terms of controlling the budworm?

HON. L. HARAPIAK: Mr. Chairman, I'm advised by staff there is a cycle that the infestation goes through where there is a natural collapse of the infestation; and there are indications that we are approaching that point in time. Now we may have to do some spraying next year, but we are anticipating that there would be a reduction and, when the population collapses, it would not be necessary to spray. So our purpose in spraying is to keep the trees alive until the point at which the population collapses.

MR. A. DRIEDGER: It was my understanding, Mr. Chairman, that a landing strip was built east of the Woodridge area for the purpose of spraying. Was that strip ever completed and has it been in use this year?

HON. L. HARAPIAK: Mr. Chairman, the fire road was upgraded to accommodate the landing of the spray aircraft and it was, in fact, used during the spray program.

MR. A. DRIEDGER: Can the Minister indicate, he indicated that it was \$600,000 budgeted for the spraying

program. Would the cost include the upgrading of the landing strip? Would that be part of the cost? Has all that money been expended, the \$600,000.00?

HON. L. HARAPIAK: Mr. Chairman, the cost of upgrading the road would have been paid for out of the \$600,000 that was allocated. The final cost figures are not all in yet, so I cannot indicate . . . Well, I indicated earlier, I believe, that 90 percent of the funds had been allocated during the spray program and we were firming up the figures on the remaining 10 percent. At this time, I cannot indicate exactly the extent to which those funds have been expended. Some of that accounting is ongoing.

MR. A. DRIEDGER: Mr. Chairman, the reason I raise some of these questions about the program - and I'm not being critical of the program - because I think if it's being beneficial we should certainly pursue it, one of the reasons is because I raised this with the Minister previously about the 22 employees who were hired under the silviculture program and they were off and on like - one day they were hired; the next day they were laid off, and it was extended and part of the rationale, the explanation to the employees was that the funds were being used for the budworm control program. I found that a little inconsistent in terms of the program. You budgeted so and so much money for the budworm spraying, the control program. There was so and so much budgeted for the silviculture program and at the time, when they were just getting hired, to then change the rules of the game, I found that a little confusing. Certainly the people who were hired, supposedly for a period of time and then found out this was not so, found it very difficult because I've indicated to the Minister that many of these people who are working under that program, to them, it's pretty well their means of livelihood to some degree. Some of them have small farms yet, but most of their income comes from this program, and they sort of felt that they were being jacked around.

I'm wondering if the Minister can indicate whether there's any intention to maybe put them back on the payroll for awhile so that they can maybe get enough stamps so they can qualify for Unemployment. It might not seem like a major issue to the Minister, but it certainly is to the people involved out there.

HON. L. HARAPIAK: Mr. Chairman, certainly I wouldn't want to have people feel that they were deliberately being "jacked around" - using the expression of the Member for Emerson - but we were having to make some changes and I think, as I indicated in discussing some other matters related to this department, from time to time priorities change, and the jack pine budworm program was something that we put to a higher order of priority in terms of protecting an existing stand, where thinning could be deferred for a period of time. That decision was made and we recognize that it did cause some difficulty. By the same token, we want to make it clear for the record that those people - I can't say all of them - but many of them were employed subsequently in a tree planting program and in a cone collection program which did go for a longer period of time than we had initially anticipated.

So I would be hopeful that they would have been employed, in most cases, for a long enough period of time so that they would be eligible for the benefits that he's referenced and there is still some possibility, after the final accounting is done, that there may be some silvicultural programs this fall.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNESS: I'd like to take this opportunity to ask the Minister what his program is doing to improve the terrible situation that existed at some of the tree planting sites that were part of the Kids and Trees Programs and I believe that this Ministry is taking as its responsibility, in the sense of watching closely the weeding and the husbandry of those particular tree sitings, Mr. Chairman.

Mr. Chairman, some two months ago I brought it up as a question to the Minister. I can tell him just as on Sunday past, that I had an opportunity to drive again past the one site in my constituency, that being Highway 75 immediately across from the St. Adolphe turn-off; and, Mr. Chairman, I see today the efforts of pure futility, of many high school students who attempted to provide for a legacy in a natural resource sense for the people of this province, and indeed visitors who travel that main artery.

I was there the day that those trees were planted, Mr. Chairman. I was there with the former Minister of Natural Resources. The conditions of the ground at that time were satisfactory. We had ample moisture last year and yet in spite of that, that whole tree-planting site has gone to ruin.

Mr. Chairman, the grasses and the weeds within that area were allowed to take on their full growth and they, of course, in doing that choked out all the new seedlings. I therefore ask the Minister what he is going to do with that particular site, where at this time there is not one living tree.

Secondly, I have asked him whether his intentions are to rip up, to have his department rip up any other sites like this, where young people of our community, indeed, volunteers of all descriptions have come forward and have given of their time for a most worthwhile effort, one which by the way, Mr. Chairman, four Ministers on that side took credit for; that they put themselves in press releases; the former Minister of Education to name another.

Mr. Chairman, I think it's incumbent upon this Minister to tell us what the plans are of his department with respect to these particular sites and whether they were wanting to rip them up and, again, bring forward a volunteer effort to replant them again; or that they'll just let these sites go back to their natural state at this time, although they're full of weeds and wild grasses.

HON. L. HARAPIAK: Mr. Chairman, I think the member knows that the Kids and Trees Program was a special effort in the last year, as he said, involving some three Ministries, which was intended to be an extension of what we consider to be a very successful program, wherein we have cooperation with Cubs and Scouts for tree-planting in remote areas, if you like.

The decision was made to try to utilize some of the more travelled sites adjacent to roads, to involve

students in the tree-planting program and subsequently it was our Department of Natural Resources which was to maintain the site for the first year; and the agreement was that the highways would maintain them in subsequent years.

The member is correct, in that particular site at St. Adolphe there was a very real problem. Given the weather conditions last year it was impossible to get equipment in to work sites. It was very, very wet and I think that was not unlike some of the problems experienced by farmers in other areas. But there were other sites specifically related to the Kids and Trees Program, where there was a very high survival rate.

But I want to indicate that we have a report here, as of June 30 of this year, if the members are interested in the information on the specific sites and the information that I have here, that there is a survival rate that contrary to what the members says, that there isn't a single living tree, that some trees did survive.

There was a 35 and 33 percent survival rates; there was indication that as of June 30 the site was recently cultivated. There was evidence that there was infestation of weeds near the plants, mortality due to mechanical injury from the efforts of cultivating. So if the members are interested I can share this information and put it on the record and the site near Portage la Prairie, and the member there would be interested and I am sure he would have the opportunity to view it, the survival rate there was 80 percent.

But what I would want to do, Mr. Chairman, is not to leave anyone with the impression that, as a result of this particular experiment, shall we say, wherein particularly the site at St. Adolphe the survival rate was not as high as we would have wanted it, that we do not appreciate the efforts of young people in the tree-planting program.

We have some very, very good levels of participation from the Cubs and Scouts and we would want that to continue.

MR. C. MANNESS: Mr. Chairman, I wish the former Minister were here because I think it's unfair that I take my verbal wrath out on this new Minister. Mr. Chairman, I know when a tree is living; I know when a tree is alive or is dead as well as anybody else in this House and, Mr. Chairman, I walked the site - I walked the site for 20 minutes - and I did that sometime in June, late June, and I didn't find one living tree.

Now, the Minister indicates that there was what - 30 percent - survival rate? He's then telling me that staff in his department spent two hours walking the site and counting trees. Quite frankly, I don't believe that. I don't believe that. So we have a dispute. So I invite the Minister on Tuesday next to come with me and we'll count those trees, Mr. Chairman, and we will put a little wager on the number of trees that are living.

Furthermore, Mr. Chairman, the Minister indicates that area was cultivated. I don't believe that either because if it was cultivated the weeds and the grass wouldn't be that tall as of Sunday last.

So, Mr. Chairman, there seems to be obviously two different stories here. There seems to be two different sets of circumstances that are reporting to the Minister; but the broader issue is that I honestly believe that when this program was developed the members

opposite thought they would take their credit for one year and then he had no idea as to who was going to maintain the operation for the years following.

Of course, the Minister has the answer today but yet, Mr. Chairman, when the question was first brought up by my colleague, the Member for St. Norbert, and the former Minister last Session, the former Minister of Natural Resources didn't have any idea who was to be responsible for the husbandry of those trees.

So, Mr. Chairman, obviously there's a policy in effect now. I'm glad to hear that other sites have had some success in maintaining their life although I will endeavour to ask the Member for Portage la Prairie to search his site too, to see whether there's an 80 percent — (Interjection) — Mr. Chairman, the member wants to know where the site is.

So maybe the Minister can provide for us a detail of the locations of the sites and the percentage of trees that are now living.

HON. L. HARAPIAK: Mr. Chairman, I just want to indicate to the member that when I was reading from the statement indicating it was recently cultivated, I was indicating to him that I was reading from the report dated June 30. When the June 30 report was written, it indicated that it had been recently cultivated. I am not sure what state it's in.

But I would certainly take up the member's offer to go to the site and view it - it's an 11 acre site - I'm quite prepared to walk the entire site and it will take some considerable time to verify that.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, my sentiments towards this Minister about this program are about the same as the Member for Morris. In fact, it's just two weeks ago when I had actually - I had intended to call the press, the local press and stand with the weeds up to my belly button and have a picture taken and then come and maybe ask the Minister if he would come out. I was actually prepared a week-and-a-half ago to ask the Minister to come out with me, that I would take and pair with the Minister just to show him what's happening out there. I'm talking not of the one that my colleague for Morris is talking about. I'm talking of the one at 52 and 59 highway.

I know monies have been expended, because I think around June 30 - that would probably be accurate - they whipped in there with some kind of a machine, and did some tillage. Then, everything went back to rack and ruin again. They have again worked on it just recently. They've done half of it. On the one side of the intersection, they've done some tilling there. How many trees there are, Mr. Chairman, I don't know whether they can find out among the weeds, but they've been making a little bit of an effort. Half of it seems to be at least not looking as bad as it used to.

The other side of the highway, today when I came in, they had a swather in there, swathing everything down. But I want to commend the Minister that maybe that is the right approach to use. Swath it down. Put it back into grass, so it can be maintained properly because it was a fiasco this year.

If they're going to do that kind of a program, as the member indicated, they took all the glory about the

big program that they were promoting, kids planting trees. Those children must feel embarrassed — (Interjection) — I wonder, the question comes to mind. Is there now going to be a press release indicating that the program was not successful, and maybe an apology to all the young people who were involved with anticipation in helping plant the trees. They spent a lot of time at it dedicatedly. They planted big plots. A lot of effort was put into it.

I'm just wondering, could the Minister indicate the amount of money that has been - I know of only three sites. I don't know, maybe there are more. Maybe the Minister could indicate how many sites of this nature were there, and what has the cost been to date in terms of this program?

HON. L. HARAPIAK: Mr. Chairman, I find it rather interesting, in listening to the lengthy questions or comments, when only yesterday the member cautioned me for my lengthy responses.

So I would only, in responding to him, indicate that there are four sites and a total of \$67,000 was expended. There is no appropriation in Natural Resources this year, because the agreement was that, in subsequent years, the maintenance would be from the Department of Highways.

MR. A. DRIEDGER: Mr. Chairman, the Minister is now indicating it is not the responsibility of the Department of Natural Resources. It is now the responsibility of the Department of Highways to do the maintenance of these plots?

HON. L. HARAPIAK: Mr. Chairman, I indicated that when the question was first raised in the House. I indicated it earlier today, and I'll indicated it again. Yes.

MR. A. DRIEDGER: Mr. Chairman, can the Minister indicate why it was removed from the Department of Natural Resources and put on to the Department of Highways.

HON. L. HARAPIAK: Mr. Chairman, I want to indicate very clearly that was not a change. That was the original arrangement, that Natural Resources would be involved with the planting of the trees in the first year and, in the subsequent year which is the current year, the responsibility for maintenance of the site was with Highways. It is not a change.

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: I have one or two questions I want to ask the Minister. The critic apparently hadn't any comments on the nursery at The Pas, and maybe if the Minister would comment on that.

But in his earlier remarks, he mentioned that, with the Bird's Hill Nursery there, it wasn't economical to grow our own ornamental trees, and they were being purchased elsewhere. Are they being contracted elsewhere to nursery, or do we just purchase them at random? Are any ornamental trees being grown under contract to the government, or are we just picking nurseries?

HON. L. HARAPIAK: I'm not sure if I'm understanding the Member for Minnedosa, whether he is referring to

the trees that we would use for ornamental purposes or whether he's talking about the trees that we would use for the reforestation.

MR. D. BLAKE: For ornamental purposes.

HON. L. HARAPIAK: Those, Mr. Chairman, are purchased by the Parks Branch from existing outlets.

MR. D. BLAKE: There's no nursery under contract, so many trees of a certain variety to the government or anything of that nature, eh?

HON. L. HARAPIAK: Mr. Chairman, staff advises me that some of the ornamental stock is received from the PFRA Nursery at Indian Head. Beyond that, whatever ornamental stock we need is not under contract. It is purchased from existing outlets.

We have 20 greenhouses in operation, seed extraction plant as well. We provided some 3 million seedlings to Manfor. This is the second year that we've been delivering seed stock. I'm not sure what more specific information the member would want. If he wants more specific information, I'd be glad to provide it.

MR. D. BLAKE: I'm interested in finding the cost of operating the greenhouses and the stock, and how much does Manfor pay for the seedlings.

HON. L. HARAPIAK: Mr. Chairman, the arrangement in the case with Manfor is that we provide the seedlings and they do the planting. In addition, they provide us with cones from which to extract our seed.

MR. D. BLAKE: What is the cost of production?

HON. L. HARAPIAK: The total cost is running at about 11 cents per seedling.

MR. CHAIRMAN: The Member for Emerson.

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

I wonder if we could pursue - we have two major nurseries that are supplying supposedly the forest requirements for reforestation. An agreement was signed with the Federal Government, I think, last year or the year before - I think a five-year agreement, am I correct on that? And I assume the onus in that agreement was reforestation to some degree. Can the Minister indicate what is the objective in terms of replacement? I believe we replace about - I don't know exactly what the figure would be now of the amount of harvest that we take - how much do we replace? Is it 11 percent, is it 20 percent, is it 30 percent of the trees that we take that are being replaced? — (Interjection) — I know we're shooting for 100, but when do we get there?

HON. L. HARAPIAK: Mr. Chairman, we are targeting for a sustained yield basis. Now, the amount of reforestation or reforestation effort would vary from area to area, so we cannot say that we have absolutely a tree-for-tree replacement in that, depending on the natural regeneration in given areas. The natural process of regeneration would not require the same kind of

planting effort on our part, but certainly overall, our objective is to see that the base for yield is not reduced.

MR. A. DRIEDGER: The Member for Minnedosa raised questions about the nursery at The Pas, which my understanding is, it basically supplies the needs of Manfor. I assume that's what it's doing. We also have a pretty substantial nursery at Hadashville. I'm wondering if the Minister can indicate the nursery at Hadashville, who do they supply? Is it Abitibi basically? Is the same arrangement in place with Abitibi as it is with Manfor and is the cost the same? We'd like to compare a little bit what the situation is.

HON. L. HARAPIAK: Mr. Chairman, the cost per seedling is the same from Hadashville and from The Pas, 11 cents per seedling. The member is correct. The bulk of the seedlings are provided to Manfor from The Pas, from Hadashville; the bulk of the seedlings are provided to Abitibi, but then in addition to the tree planting efforts by those two major operators, the department itself has a tree planting program where we utilize staff and do some on a contract basis and from each of those would provide seedling stock to the department efforts as well.

MR. A. DRIEDGER: Mr. Chairman, to the Minister. Is the Minister and his staff satisfied that Manfor and Abitibi, who are the two big utilizers I suppose of our forest, that their program of replanting is up to the expectations of the department? Are we increasing and improving that situation? Is the Minister satisfied that they are fulfilling their portion of the agreement that is in place, obviously, to the satisfaction of the people of Manitoba?

HON. L. HARAPIAK: Mr. Chairman, I'm pleased to indicate that we are satisfied with the reforestation effort of both of those firms. In fact, there have been some observations made by independent sources which substantiated that, in fact, the obligation in the case of Abitibi specifically, was being done.

MR. A. DRIEDGER: This is a matter of interest, Mr. Chairman. These companies, do they hire somebody? Do they hire treeplanters to go out and plant the trees or is it done with commercial units? The reason I raised that, my son who's been going to college for the last three years, this year decided that he was going to earn himself a pile of money and he went to B.C. and ended up being a treeplanter there and they plant them by hand. They have students come in and they plant them on a per tree basis. Is that how the program works out here as well?

HON. L. HARAPIAK: Mr. Chairman, there are different approaches taken within a given firm. The boat firms utilize some of their existing workforce to plant trees; some seasonal workers are hired, and in addition they do some contracting for planting, so I would suggest there are three possible arrangements that could be utilized.

MR. A. DRIEDGER: I want to move into a different area now, Mr. Chairman, and that is the Atikaki Park area.

There was a bit of a skirmish going on some time ago because Abitibi felt that they had rights to cut in there. It was a matter of who was responsible in terms of whether they could cut or not cut. Abitibi felt that they had an agreement, and this goes back to the time when the then Minister responsible for Natural Resources, Brian Ransom, initially I think signed the agreement with Abitibi regarding what could be cut and what could not be cut; and when the question arose and government said they had no choice, the agreement was made and there could not be any deviation from that. I checked with the past Minister of Natural Resources and he indicated that there always was an option clause in there, that if the government did not want to have timber harvested in that particular area, they had the provision to reallocate cutting area in a different area. I wonder if the Minister could clarify that once and for all, because there seems to be a lot of confusion from the Premier down in terms of who was responsible.

HON. L. HARAPIAK: Mr. Chairman, I don't think there's any confusion on that matter at all. As the Member for Emerson has indicated, there was an agreement intered into with Abitibi. Abitibi we consider to be a good corporate citizen of the Province of Manitoba. They had cutting rights allocated.

Subsequent to the allocation of those cutting rights, there was a decision made to establish a wilderness park in that area. Discussions were entered into, an agreement was reached with Abitibi and the province to have an alternate wood supply designated. Abitibi has indicated that while we are in the process of updating our forest inventory - and we will have that available in 1988 - that at that time we will allocate an alternate cutting site and they have indicated their willingness to wait until such time for us to get that information and then enter into discussions with them to give them an alternate wood supply. So I see no confusion at all on the matter, Mr. Chairman.

MR. A. DRIEDGER: Mr. Chairman, I'm pleased with the comments that the Minister has made because there seemed to be some confusion some time ago when there was concern expressed that Abitibi would be cutting close to the Atikaki Park area - I'm talking of the Bloodvein River - a lot of concern was expressed. I had all kinds of correspondence. I don't know whether the Minister received any or whether it was sort of resolved. It could have been cleared up just that simply, too, at that time to the satisfaction of all the people who expressed concern. The Premier, the then Minister had indicated exactly what the situation was instead of trying to pass the buck and play games with it. That's part of their problem.

The Minister is very forthright and tells me where it's at and everybody is satisfied with it. But I got a raft of correspondence - I'm sure the government people must have had a raft of it as well - people expressing concern about the possibility of cutting taking place in Atikaki. It was never was properly clarified. It just illustrates to the Minister how confusion can develop unless there's frankness and forthrightness from the government.

HON. L. HARAPIAK: Mr. Chairman, I want to indicate that I am clearly aware that there were differences of

opinion as to the use of a particular area, and we recognize it with respect to all of our resources that there will be a conflicting demand on a particular resource base.

There are many people who had the interest in establishing a wilderness park, and if you are going to provide that - and it is something that we should provide for the people of Manitoba - then of course you have to restrict the kind of activity that'll take place in that region.

We have in the case of the Bloodvein River, in particular, provided a corridor along the river where cutting will be restricted and it will protect the characteristics of the river. So I want to indicate clearly that we recognize that there are different interest groups but that, with the kind of cooperative effort that has been demonstrated by Abitibi and the province, we can accommodate those different user groups.

MR. A. DRIEDGER: Mr. Chairman, I'd like to ask the Minister what the situation is with the harvest of trees in the southeast corner, specifically the area that I represent and it goes over to the Whiteshell, the area there. There's always a tremendous amount of pressure in terms of the quota holders. Are they still allowed their full allowable cut? Is there a cutback in their quota? What is the status right now, because there has been growing concern over a period of time about the decrease of good available timber in the area. I wonder if the Minister could give me an update as to where it's at.

HON. L. HARAPIAK: Mr. Chairman, we are updating the forest inventory for that region now. We will have the information later this fall but, if there are to be any adjustments up or down, those would not occur until next year. So people are not being asked to adjust their quotas for the current year, and all allowable quota has been allocated.

MR. A. DRIEDGER: I'd like to also ask the Minister, Mr. Chairman, about special permits issued. It appeared that, prior to the election, there was an availability of 100-cord permits for pulpwood, etc., to a much larger degree than there ever has been. I'm just wondering, what was the practice. What is the policy in terms of allowing special quotas, special cutting privileges?

I know when there's a storm, for example, that there's a cleanup involved and stuff like that, but that was not the case in this last year when, all of a sudden, it seemed like any individual - and if the Minister will check the records, it's surprising how many individuals received substantial quotas.

HON. L. HARAPIAK: Mr. Chairman, the information that I have indicates that this was still part of the salvage effort following the storm which I believe went through in 1982. If the member is indicating that was not the case and he has some specific information that he wants to relay to me, I would be glad to look into that, if he is saying that there were some improprieties in terms of the allocation of the 100-cord permits. But the policy is that, where we have salvage activity to undertake, those permits will be allocated.

MR. A. DRIEDGER: Mr. Chairman, I would like to indicate to the Minister I appreciate that invitation on

that. I will check my facts, so that I do not come up with false allegations in that respect. If there is any concern at all, I'll forward it to the Minister.

I would just like to ask the Minister, in terms of especially when they talk of the southeast region, there's a tremendous amount of pressure always from individuals who try and get casual permits, firewood permits. Can the Minister indicate what kind of permits are being issued and to whom, and what the procedure is at this stage of the game? I'm talking of maybe birch wood, pulpwood, any others.

HON. L. HARAPIAK: Mr. Chairman, the permits for casual use for firewood are readily available from any one of the branch offices.

MR. A. DRIEDGER: Birch wood?

HON. L. HARAPIAK: Now, that is in terms of the hardwoods. There may be specific regions where that is not available but, generally speaking, they are available. Then, as well, there are permits available for fence posts, rails and other kinds of what we would refer to as casual uses. If there is a specific region again where there is some indication that is not available, I think there are regions in the province where we would recognize that there may not be an available stand. But certainly, in the regions where the hardwoods are available, there would be no difficulty in getting a permit.

MR. A. DRIEDGER: Mr. Chairman, I don't want to belabour this. I just want to get a bit of a clarification. If some of the cutters in the area, are they allowed to go and get a permit for pulpwood, for example, for 100 cords at the present time? Is there any regulation that controls the maximum amount that an individual can get on a permit?

HON. L. HARAPIAK: Again, Mr. Chairman, I want to indicate that, in terms of the softwood permits for what we would describe as pulpwood, those were available during that salvage period. But that, I understand, has been completed, and all of the other available cut has been allocated. So for the purpose of cutting pulpwood, that would not be available but, for other domestic uses, the birch wood, poplar, tamarack, there would be supplies of that available.

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: Mr. Chairman, there's a section of forest inventory. There's about half-a-million in there, a little better. I wonder if the Minister could tell me, is this an ongoing program? It's largely wages, the amount of money. I wonder if you might just give us an update on how many are employed there.

HON. L. HARAPIAK: Mr. Chairman, there are 19 people employed in that section. The purpose of that section is to gather the very information that we were referencing earlier. They provide the base from which decisions for allocation of cut are made. So that is really their role, to review the information, a good portion of it being done from interpretation of

photographs and field work, in addition to assess the wood supply and to make the allocations in the different areas on the basis of that assessment.

MR. D. BLAKE: What would the Timber Management and Development section do? There's 246,000 there for wages.

HON. L. HARAPIAK: This is the section that would deal with the actual harvest. After the information with respect to inventory was made available, the management would be made by the people in the field. For example, if somebody wished to log in a particular area, that harvesting effort would be handled by or monitored by this.

MR. D. BLAKE: Mr. Chairman, I think it's under Timber Management that my colleague, the Member for Roblin-Russell, would probably want to have a few remarks, because it was the allocation of timber. I will defer to the Member for Roblin-Russell.

MR. CHAIRMAN: The Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Mr. Chairman.

The area that I represent has certainly been one where the timbering, the lumbering industry has been an important one, especially in the Roblin area. We have several small operators in that area who have made their livelihood and have been key employers to people living around the Duck Mountain for a number of years. Now, with respect to one particular operator who's name is Mr. Bob Britcher, there has been some problem in there, and I'm sure the Minister is aware of that problem. But I'm wondering if he could indicate whether or not Mr. Britcher's ability to log more timber is going to be extended, since Mr. Britcher employs something like 20 people on a full-time basis and another 20 people on a part-time basis. He's got a sizable investment.

It's an industry that's certainly important to the area and we have heard on numerous occasions from the Government of the Day that we're looking for new industries in rural Manitoba. Right now, in this particular instance, we have an industry that is located there. All they require is permission to harvest more timber and, unless this permission is obtained, Mr. Britcher is going to be forced to close down his lumbering operation and lay off 20 people who are employed presently on a full-time basis, and also lay off approximately 20 people who are employed on a part-time basis. I'm wondering whether the Minister would comment on that particular aspect.

HON. L. HARAPIAK: There is a very real problem in this case. We've had discussions with the individual involved but I don't know how we resolve that problem, given our commitment to harvesting at what we refer to as on a sustained yield basis. We allocate our cut. The information we have now is that on the most recent information with respect to inventory, the allowable cut for the region has to in fact be reduced. Now we're talking, in this case, about the white spruce, because that is what Mr. Britcher was utilizing in his sawmill operation.

I guess there are two options, neither of which is very palatable. We could make an allocation to him in

excess of the allowable cut but that is just going to defer the problem, or it would mean that somebody else would have to give up part of their allowable cut. I want to indicate for the record that Mr. Britcher had a timber sale, a Dominion timber berth, which he turned over to the province in exchange for a permit for a timber sale for 20 million board feet. So it's a fairly sizable cutting right. He sold half of that to another operator. Having sold that, he continued to cut on what remained and he has a small quota in addition to that, but his wood supply is being depleted. Now he is wanting us to allocate more wood to him. If circumstances were different, if the inventory figures showed that the allowable harvest for the area could be increased, that could be considered as a possibility. Or should we take wood from some existing operator? I think we would be criticized for that.

I'm saying to you it's a very unfortunate situation but one of Mr. Britcher's making in that he sold half of the available cut that he had available to him. He sold half of that in the marketplace.

MR. L. DERKACH: Mr. Chairman, I think it's got to be understood that it was the province who wanted his berths. Had Mr. Britcher retained his berths, he would still have the opportunity to have his lumber industry continue today. But it was the province's very aggressive desire to exchange the berths, and Mr. Britcher did accommodate the province in that way. Now, the fact that he sold some of his timber at that time, after the time he has indicated many times that by doing that he was helping out other people who were in the lumber industry. In addition, at that time he was thinking of scaling down his operation.

Since then, his industry has in fact improved. He has customers right now who are waiting for timber that he can't supply.

The other aspect about Mr. Britcher is he doesn't harvest his lumber in a way that many of the operators do, by a slash and burn kind of situation, where they come and tear everything down and then we, hopefully, get some kind of reforestation. Some of our very intelligent people, supposedly, say that's the way to harvest lumber. They are wrong; they are dead wrong. A man who has spent his time in the forest knows that this is wrong because there's no kind of shelter for those young trees.

Mr. Britcher has gone ahead and has used a selective cutting process. It is well known that in the area where he is harvesting trees at the present time, he is harvesting trees for the third time since that harvest has been allowed in that area.

There is no other area where that is happening, but because they have used selective cutting, that has been possible. Therefore, I think Mr. Britcher has utilized a very practical, very efficient management of the forest industry.

I ask the Minister, in that area he has been allocated, there is still sufficient forest for Mr. Britcher to continue his lumbering industry until he decides to retire. Mr. Britcher has indicated that in five or seven years he may in fact choose to retire, and he can never harvest all the lumber that is available to be harvested in his allocated area in the next five to ten years. I think there are other people in that area who can substantiate

what Mr. Britcher is saying. But now we have a government whose attitude it is that just because this man sold some allocated lumber that he should not have the right to have an extension and therefore his industry should be closed down. There will be another industry that will start, and there will be 20 jobs that are going to be lost in an industry that is already there. The market demand for the product is there.

United Grain Growers have wanted to buy lumber from this man to build elevators. They can no longer get it because he hasn't got the product.

Yet we have a government right now that has an attitude which says, no, you can't harvest it because you have sold some in the past. That is the one thing that they keep bringing to his attention, the fact that he sold off some of the allocated timber.

I'm asking this Minister to re-evaluate this whole area and to allow this industry, in this very important area, in rural Manitoba, to continue and to be able to supply the people with the jobs that are so badly needed in that area, and allow those families to stay in that area and to work at the areas that they know best.

HON. L. HARAPIAK: Mr. Chairman, I want to indicate again, clearly, that the decision to surrender the Dominion timber berth for the 20 million board feet of softwood lumber was a mutual agreement. It was not a decision that was forced upon Mr. Britcher.

MR. L. DERKACH: I didn't say that.

HON. L. HARAPIAK: No, I'm just wanting to have the record show clearly that it was a mutual agreement. Subsequent to that agreement being reached, Mr. Britcher decided, for very good reasons, probably, as he saw it, having an opportunity in the marketplace to sell off half of his available cut. That was a decision he made. I'm not saying there was anything wrong with the decision, but it is a decision that he made at that time and I think he has to live with the consequences of that decision.

He is a very good producer of wood. There is no doubt about the quality of the lumber that he produces. There's no doubt that he provides employment for some 20 people. But if we are saying that we are going to provide an allocation to this particular operation, then do we allocate to other operators who want an additional quantity of wood, perhaps some who never even had the opportunity to sell off 10 million board feet of softwood? — (Interjection) — There is a difference. This person had an opportunity; he surrendered the opportunity and now he is saying that he wants us to do one of two things. He wants us to go against our management decision to harvest on a sustained yield basis and, as I indicated, if we make the provision for this particular operator, I'm sure I can find you 20 or 30 operators around the Duck Mountain itself who would be quite willing to take on some additional allowable cuts in the years to come.

I want to point out, as well, that there are operations for sale; there are quotas for sale. So it's not as though there is absolutely no opportunity for Mr. Britcher to access that additional quota. He utilized the market at one stage to give up some of his quota. I think there is that opportunity for him at this time to utilize the market to access some additional quota.

MR. L. DERKACH: Mr. Chairman, for some reason, somebody has filled the Minister's head with a bunch of gobbledegook and he keeps repeating it here in the House.

Why doesn't the Minister understand, that 10 million board feet that was sold by the operator probably went to good use, to begin with; secondly, it employed people and it provided Manitobans with jobs?

Now he says as though it's some kind of a sin for this guy to do that, and so therefore now you cut off his operation. You cut off an industry in an area which has been supplying people with job opportunities, has been supplying spinoff industries in the area as well, such as trucking, which is very important to that area as well.

Is there no demand for the product? If there's demand for the product and if the product is there where it can be harvested in a prudent and a practical way, what is the big hang-up about not allowing this operator to continue to operate?

Now, if somebody else wants additional quota because they have the markets, and because they can supply additional jobs, then why not allow them to do that? I don't understand what this great big hang-up is about the fact that this guy sold 10 million board feet of lumber to somebody else. It is a hang-up, it is a philosophical hang-up and that's why they're not allowing this man to keep operating. I'd like a response from the Minister.

HON. L. HARAPIAK: There is no hang-up on my part, Mr. Chairman. I'm simply indicating to this group what happened. He had a share of the market for reasons - very good reasons in his mind, I'm sure - he made a decision to sell a share, 50 percent of the cutting right that he had available to him at that time. He had the benefits of the sale. I'm not sure how he employed the returns from that, and I'm not saying that was wrong, and that is not in any way a penalty. It was a decision that he made, but what is the Member for Roblin-Russell asking me to do? To penalize future generations or to penalize existing operators because there are . . .

SOME HONOURABLE MEMBERS: Oh, oh!

HON. L. HARAPIAK: Mr. Chairman, there are only so many trees out there to harvest. — (Interjection) — I know. The Member for Roblin-Russell is suggesting perhaps that there is an unlimited number of trees to harvest. Shall we then just open it and say harvest at will? Shall we say to the people of Manitoba that Duck Mountain Forest Reserve is open territory - if you want to harvest it, go and harvest it; don't bother checking because the Member for Roblin-Russell indicates that there's an unlimited supply of trees in the area. Well, I don't subscribe to that. What I'm saying is there is a choice to be made; either you penalize some of the future operators or you take that supply from the people who are currently in operation.

Mr. Chairman, if what he is saying is that we would allocate it to existing operators and allocate it to Mr. Britcher and keep those 20 people working, then we will simply be displacing some of the other operators. That is the choice that is available.

MR. L. DERKACH: Well, Mr. Chairman, I haven't heard such ridiculous nonsense in a long time as I'm hearing here this afternoon from this Minister.

Mr. Chairman, the Minister seems to fail to understand that the lumber industry is a renewable resource. If it's harvested prudently, then that resource is there for future generations to harvest. If the Minister of Natural Resources would come with me to that area that Mr. Britcher cuts lumber in, I will show this Minister that there is an abundant supply of lumber to be harvested in a selective way whereby trees can be cut now and other trees can be left to mature and be able to be harvested by future generations, and there is no such thing as all of a sudden clearing an area and that resource not being renewed. That is the problem that this government has. It has not embarked on a program whereby it is renewing some of the resources that are being harvested, but unfortunately, it is up to independent operators who have put it upon themselves to see that future generations have something to harvest, like the kind of operator that we have in Mr. Britcher.

Now, the Minister says, well what do we do with future generations if we give this guy the opportunity to harvest these trees and he keeps 20 people employed, what about the future generations? If you plan prudently, then there is no problem, but you don't cut off the guy's arm because he went and sold some 10 million board feet of lumber. You don't cut off his arm and say the industry now shuts down.

What does he do with the industry? What does he do with the people that are unemployed? Is this Minister prepared to tell those people that you no longer have jobs because it is our philosophy not to allow him to cut any more lumber? If you want to take a drive with me, I'll take you to that area and I'll show you that there is an abundant supply of lumber that can be harvested for the next 10 years and if it's done prudently, like it has been done over the last 10 years, there is no problem for future generations.

HON. L. HARAPIAK: Mr. Chairman, I think the Member for Roblin-Russell is dealing with two issues. No. 1. is the method of harvest, and I think what he is suggesting is that the selective cut that Mr. Britcher has employed is much more effective than the clear-cut method which I think he is saying is the policy of this government.

I would suggest to the Member for Roblin-Russell that he travel the country somewhat and travel over parts of other provinces where there are administrations of different political stripes, so let him not suggest that somehow the approach to harvest clear-cut is only employed here in Manitoba. That is not the case at all. I think there are certainly trees in the area - the member suggested that he would take me into the Duck Mountains and walk me around. I would quite enjoy that if time permitted. There is a supply of wood there, but if we go with an individual operator and look at individual trees, I'm sure that he could convince the Member for Roblin-Russell that there is an adequate supply for me, but we have to address the concerns not only of Mr. Britcher, but all of the other operators and future generations.

MR. L. DERKACH: Mr. Chairman, it doesn't hold water. Simply the fact that we're asking that this particular operator be given some concessions in terms of being allowed to continue in that industry doesn't mean that

all of a sudden he has to do it at the expense of other operators. We are not suggesting that at all. I'm not getting into a debate as to which method of lumbering is better, but I'm telling the Minister that the method that has been used by Mr. Britcher has worked very effectively in that area, because he is now harvesting trees for the third time in that area. That has got to say something for the method that has been used in that area.

I'm not suggesting for one minute that the Minister all of a sudden change his tactic and penalize other operators. If the market is there for the product, then there is no reason to cut off that industry regardless who that operator is. There seems to be a philosophical hang-up on the part of this government in terms of dealing with this particular operator.

HON. L. HARAPIAK: Mr. Chairman, I again have to react to the Member for Roblin-Russell for suggesting that there is some kind of philosophical hang-up here.

The proponents of the marketplace from the other side - and I respect the role for the marketplace - the individual to whom they refer made a market decision and now they are asking that we interfere with the existing process to compensate the individual for a market decision that he made some years ago.

MR. L. DERKACH: Mr. Chairman, I'm not asking for any kind of compensation. All I'm asking is that there be some kind of a practical approach to the situation at hand and that this Minister who has the authority to allow more harvest of that kind of timber in that area where that timber is available, that this Minister give authorization to that operator so that he can continue, so that people can continue to work; so that there can be employment in an area where employment is scarce; so that spin-off industries such as the trucking industry can survive in an area of Manitoba which depends very heavily on the lumbering industry for this province.

The market is already there. That's been established. All that is lacking is for this Minister to give authority to cut timber in an area which has been allocated to that operator.

HON. L. HARAPIAK: I wonder if the member is suggesting that we give a signal to operators out there. All you have to do is sell your existing quota, keep a little bit to keep you going for a couple of years and two years later or whatever number of years later, you can come back to the Minister and say, I've changed my mind now, give me more quota. I think that would be irresponsible.

When the Member for Roblin-Russell is suggesting that there is no solution, if circumstances were different, if the inventory for the area indicated that there was room to increase the allowable cut, perhaps some consideration would be given. But if on the basis of existing inventory information we may have to be reducing the allowable cut to others and you want more given to that particular operator, I don't think it would be a responsible decision on my part.

MR. L. DERKACH: Mr. Chairman, I think this is just another example of how this government has failed in

its mandate, has mismanaged the — (Interjection) — now, wait a minute. Look at this. Look at who we have laughing! Look at this. The bumbler of MTX is laughing. Of all people, he shouldn't laugh.

Mr. Chairman, all I'm doing is asking this Minister. He is saying that the inventory does not allow an extension to this operator to continue. I would like to challenge him on that because I don't believe that. Anybody who you talk to who knows anything about the lumber industry in that area - and the people who know most about that area are the people who work in that forest, not people who sit behind desks with little pencils - you talk to any of those operators and they will tell you that there is an abundant supply of timber there. The inventory in that area where Mr. Britcher is harvesting is, in fact, better than it is in most other areas.

HON. L. HARAPIAK: Mr. Chairman, I am nearing the point where I don't believe that the Member for Roblin-Russell wants to be convinced, but what I would suggest to the member is that we would gladly take the information that is available, unless the members want to take the time and have all of that information with respect to forest industry brought into the Chamber and have it read into the record. We could do that or invite the Member for Roblin-Russell to review the information that we have to indicate to him - he indicates that he doesn't believe the information that we've presented here - we would invite him to sit with staff and review the information that is available and show him how we arrived at that position.

MR. L. DERKACH: Well, Mr. Minister, I welcome that opportunity. I will await for word from the Minister for an invitation to do that kind of thing. But I also will ask the Minister to take into consideration those views and comments of operators like Mr. Britcher. I don't want to belabour this particular point for too long a time. I think we've spent some time on it and then we can move on.

I have another situation in that same area. Another operator has asked to lease Crown land. He has paid for his lease and all he wants to do is to pile some logs on this particular piece of property. He has paid for his lease, but now he finds out that, for some reason, he has not been given permission to this point to use that area. Now again, it's just another way of the department tripping up an operator who should be setting up his equipment in the summertime where he could move it to the forest in the wintertime and cut the trees because he can't do that during the summer because of the conditions of the area where he's cutting.

Now I'm wondering why there is a hangup when the guy has already paid for the lease property. He's paid the lease money. Yet, he has not been given the go-ahead to set up his camp there. For the Minister's information, Mr. Chairman, the operator's name is Mr. Ron De La Mare.

HON. L. HARAPIAK: I'm wondering if the Member for Roblin-Russell could clarify whether he is speaking of land within the provincial forest reserve or Crown land adjacent to the provincial.

MR. L. DERKACH: The land that I'm talking about is Crown land that's adjacent to the forest park.

HON. L. HARAPIAK: Mr. Chairman, if the Member for Roblin-Russell would repeat the person's name - he mentioned it once but we didn't get it - we would look into the issue. If it's Crown lands, I'm not sure if he has approached already the Crown Lands Branch for a permit for a specific use on this land and been denied. If he could give us his name and specifically what has happened in this case, we would look into it.

MR. L. DERKACH: I'd be happy to repeat the conditions. The man's name is Mr. Ron De La Mare. He has paid for a lease for a parcel of land about 5 acres in size of Crown land to stock his lumber supplies on. But for some reason, since he has done that, the people from the department have come back to him and said that there could be a change in the land use of the area and he will have to await their decision even though he has already paid for the lease for the land.

Just to illustrate the point a little further, if I might, Mr. Chairman, the reason that this particular operator moved into the area was because not more than 50 yards away from this particular piece of property is a hydro line which carries three-phase power. Now this operator went ahead and bought a whole series of equipment, motors which run on three-phase power. He was told by the Manitoba Hydro that it would cost next to nothing to hook up his particular line to the main line which is only about 50 yards. One hydro pole away of wire is going to be needed to bring three-phase power into this property. So he went and leased the property, bought the equipment, and after he did that he found out from Manitoba Hydro that it wasn't just going to cost a few dollars. They said at the beginning it was going to cost \$1,400.00. They have now upped that price to \$14,000.00.

Now what is happening here in this whole issue? We've got an operator who can't get permission to use Crown land and all of a sudden, from this same government, we have another department which says now you'll have to pay \$14,000 just to get your three-phase power in one Hydro pole away. Now I'm wondering, what kind of an attitude is this. I know it's not in this Minister's responsibility, but I'm just illustrating a point of how an operator can be tripped up.

HON. L. HARAPIAK: Mr. Chairman, earlier we had reached an agreement with the Member for Emerson that we would have a rather broad-ranging discussion, but I had hoped that it wouldn't go so far afield that I would have to justify what is happening with Hydro.

I would suggest to the Member for Roblin-Russell that certainly there is a process for looking at lands. There's the Crown Lands Classification Committee which does consider other possible uses for land. But in this specific case we've got the name and even if we had the legal description, we could look at it.

But what I'm gathering the member is saying that there hasn't been a denial but somebody has indicated some caution about some possible future use for that land. So we will look into it.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I am somewhat encouraged to rise to fully endorse my colleague's

request on behalf of Mr. Britcher. My colleague had the courtesy to invite the P.C. Caucus out to a task force meeting in the community of Roblin to discuss concerns. Mr. Britcher made a presentation to that hearing.

You know, the reason I rise to bring this to the committee's attention is that Mr. Britcher is a man who has spent his life in the community of Roblin. He's employed people. He has sold lumber to United Grain Growers for 35 years so they could build elevators. He's employing 20 full-time people and 20 part-time people. He's been a major part of the economic drive of that community. He's contributed to the whole well-being of that area.

Today, we're hearing a Minister of the New Democratic Party saying because he made a management decision to sell off or to negotiate off part of these timber cutting rights, because, Mr. Chairman, he sized, he cut by size and he properly went through the forest and he marked the trees that he wanted harvested. He let those others grow that were to be harvested, and now he has indicated to us in that hearing that there are trees that have regrown that couldn't be harvested. All he's asking of the department is to let him harvest those trees.

I'm sure the man could walk away and retire and say, look, I don't need it but he's concerned about 20 jobs that would be laid off. He's concerned about 35 years as a supplier of lumber to United Grain Growers. He's concerned about the whole economic community in which he's part of. He is concerned, Mr. Chairman, that he hasn't been able to get in to see a New Democratic Premier since they've been elected, but had a first-name basis with D.L. Campbell, with Duff Roblin, with Sterling Lyon, and Ed Schreyer; but he can't get in to this government, to this Premier, or to this Cabinet to put his concerns forward.

Not only, Mr. Chairman, would I suggest to the Minister that he have a meeting with my colleague from Roblin-Russell, but I would ask on behalf of Mr. Britcher that Mr. Britcher be invited in to discuss his concerns with them as well. He has not been in to see the Premier. He maybe got into this Minister, and the Minister is indicating and I say to him I think he did the right thing.

I'll conclude my remarks. We now have a government in our society today where if you have made a lifetime contribution to the forest industry, you've carefully cut and selected those trees so that when you had to do a recut, that you could do it; that you've employed 20 full-time and 20 part-time people and you've supplied a major grain company with the lumber that's gone throughout Western Canada and added to the economic improvement of Western Canada. For all these things that you have done, your grand reward from the New Democratic Party and the Minister is to be shut down.

You know, it's a sad day in our province when that's the kind of reward a person gets for putting their lifetime effort into a community, into an industry, and into a country. That's the grand reward that this Minister is prepared to offer Mr. Britcher. I think it's a shame and a disgrace, Mr. Chairman, and he should hang his head as should the rest of his Cabinet colleagues.

HON. L. HARAPIAK: Mr. Chairman, I was given the comments the Member for Arthur has made and the other members have made. I want to indicate very, very

clearly that I have the greatest of respect for Mr. Britcher. He is a good operator. He has contributed to the area. He made certain decisions, he had an allocation of wood and they are asking now that we consider giving him an opportunity that he sold to someone else, and as the Member for Arthur is indicating, if we are going to have to allocate more wood to Mr. Britcher, it will mean denying it to somebody else in the area, and surely those people have contributed or have heard obligations that they have to live up to. It is simply a transfer from one to the other.

The Member for Arthur is indicating that this hasn't been given consideration. Mr. Britcher was in my office. The matter has been responded to directly by the Premier, and I want to indicate to the members that a year ago, I believe it was, Mr. Britcher was given, because of the inventory information at that time was not complete, an additional 1 million board feet, but he was told at that time he was given that allocation that they would not be proceeding further with it until the inventory information is available. That information is available. We've made our decision. Let not the record show that we are somehow wanting to penalize Mr. Britcher. Mr. Britcher is a very valued operator in the area. He's contributed greatly to the area.

MR. A. DRIEDGER: Mr. Chairman, I just have one further area that I want to pursue in the forestry end of it, and I just received some limited information on the phone. Maybe some of the staff can help me. It deals with a John Kovich from Riverton. I, unfortunately, don't have the full information that I would like to have and I just want to inquire, there seems to be a concern. He has a contract to cut wood, has been cutting hardwoods for a long time, and has indicated that he's now been instructed to cut the softwoods - the poplars, as well - if he doesn't do that he will lose his contract. I don't know whether he has a quota or not. I have very limited information on that and I just want to draw it to the attention here. I wonder if maybe staff has some further information on it. Obviously, when there's a problem area, somebody knows about it.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: Order please.

If the members want to debate, they can use the outside of the hall.

The Minister of Natural Resources.

HON. L. HARAPIAK: Mr. Chairman, we would like the opportunity to look into this further, but on the basis of the name given and the location, the staff advises me that this particular operator has been acquiring, buying quota in the area quite vigorously. He has been utilizing some of the softwoods for production of lumber, but there has been indication to him from the departmental staff that he has to utilize more of the trees that he is cutting in the sense that the larger tops have to be utilized. They cannot just be left in the area, and the operator seems to find that a bit objectionable, that he would have to utilize the smaller end of the tree, but our feeling is that there is a responsibility having taken a tree to utilize it to the fullest possible extent. That is the only item that we're aware of now that may be of dispute.

MR. A. DRIEDGER: Mr. Chairman, I just want to indicate to the Minister and his staff, my information on it is very limited on that, and maybe if I could ask them to have a look at it, maybe they can somewhere along the line inform me exactly what the circumstances are on that. It was indicated there was a problem and I'd just like to raise it now and hopefully we can get that straightened out.

HON. L. HARAPIAK: We would find it much easier to pursue if perhaps the member could contact that individual and find out more specifically what the concerns were and then get back to us rather than having us pursue it on the basis of such limited information.

MR. A. DRIEDGER: One further area, Mr. Chairman.

Under the Northern Development Agreement - Provincial - Forest Renewal, there's an area there of \$2 million. I wonder if the Minister could explain, is that part of the federal-provincial agreement, that allocation there.

HON. L. HARAPIAK: That item, Mr. Chairman, covers off a reforestation effort under the Northern Development Agreement and it is 100 percent provincial funding.

MR. A. DRIEDGER: Does that deal with Manfor?

HON. L. HARAPIAK: It is not tied, Mr. Chairman, specifically to Manfor. It covers the reforestation effort throughout the province, not specifically on the sites utilized by Manfor.

MR. CHAIRMAN: 7.(a)(1) to 7.(g)(2) were each read and passed.

Resolution No. 125: Resolved that there be granted to Her Majesty a sum not exceeding \$7,329,200 for Natural Resources, Forestry, for the fiscal year ending the 31st day of March, 1987—pass.

Item No. 8.(a)(1) Fisheries, Administration: Salaries; 8.(a)(2) Other Expenditures - the Member for Emerson.

MR. A. DRIEDGER: Yes, Mr. Chairman, we have a variety of stuff that we'd like to raise questions under this department. I don't rightly know where to start. I suppose the area I maybe should touch on, the Northwest Manitoba Development Corporation, Dennis Young, living at Lynn Lake. He works for the Northwest Manitoba Development Corporation, or did and they've had a request where they have an investment firm from B.C. that is prepared to invest substantial amounts of money, and there are local investors as well that have a desire to establish a processing plant in the Lynn Lake area or in that part of the province.

In their negotiations, apparently the investors from B.C. have an established market on the West Coast and Stateside and are hoping to establish a processing plant for the processing of the pickerel, as well as some raw fish, is my understanding.

The project itself would be employing close to 20 people, just direct jobs, and would also provide less expense for many of our northern fishermen who, at the present time, have to haul their fish all the way

into Transcona to the Freshwater Fish Marketing Board. If this could be established up in the North, it would save dramatic costs in that direction.

Now the group apparently approached the Freshwater Fish Marketing Board, who at the present time I think, or at that time, were paying 80 cents a pound for round pickerel and apparently, under the system, the way it stands right now, they would have to purchase their fish through the Freshwater Fish Marketing Board. In inquiring about the possibility of buying those fish to sell at this plant, or what process could be used, they were advised they would have to pay \$1.95 a pound U.S.

The question we'd like to discuss here is, is there a problem with the Freshwater Fish Marketing Board in terms of how they intend to deal with this? Do they intend to not allow competition into this sector? Because we're talking of a plant to be established in Northern Manitoba, where there's a crying need for jobs and certainly this Minister and his colleagues who come from that area would have a major concern in having jobs established up there.

Basically I realize that the Freshwater Fish Marketing Board is under the federal jurisdiction. I'm wondering if the Minister can give us some indication of whether he is prepared to try and get involved to maybe help establish these investors so they can set up their plant? What avenues are available? Whether, through our federal counterparts we can put pressure on the Freshwater Fish Marketing Board? Whether we, as a province, have the option, which I believe some provinces do have, of opting out of a certain portion of it and allowing these fish, which basically are caught way up North - and it could be the utilization of 27 lakes or something like that - that are having difficulty from time-to-time getting their fish down here. I think the project itself would lend itself well to something like this.

I wonder if the Minister could indicate how he feels about that. Is he aware of it?

HON. L. HARAPIAK: Mr. Chairman, I'm aware of it only to the extent that it's been mentioned by the Member for Emerson. This case has not been brought to my attention.

But I want to indicate at the outset, Mr. Chairman, that it is my view that the Freshwater Fish Marketing Corporation, which is a federal body, has in fact served the interests of the fishermen well. I would not want to undertake to diminish the role of the Freshwater Fish Marketing Corporation in any way. I think that would find general support amongst the fishermen that that particular organization has, through the years, served the interests of the fishermen very well.

I think these individuals, in pursuing this matter, should keep in mind the interests of that large body of fishermen that are being served by the Freshwater Fish Marketing Corporation and they should pursue their interests with that organization.

MR. A. DRIEDGER: So much for a nothing answer, really. I was trying to feel out from the Minister whether he felt there was support because if the Minister would feel supportive of that -and I would think that he would - that probably some things could be worked out.

Obviously, the way he responded in his answer, he has no interest in getting involved, go and approaching somebody else, which is not that unusual. I find that very disappointing, though, because certainly under the circumstances, some arrangement should be able to be worked out.

Could there be dialogue established with the Freshwater Fish Marketing Board to the fact that if an industry was established out there, they could buy the fish for the same price that they pay here. Why would there have to be maybe a percentage more for the bookkeeping end of it, for the administration end of it. But certainly, when they're paying 80 cents a pound, to say to an industry that is looking to establish and establish jobs, to then turn around and say we'll charge you \$1.95 U.S., which works out to what, 2.50, 2.60 a pound?

If the Minister is telling me that he has no further interest in it, we'll leave it right there because then we know exactly what the people in this area can expect from him.

HON. L. HARAPIAK: Mr. Chairman, I don't accept the statement made by the Member for Emerson that I have no interest in this area. On the other hand, I recognize where my responsibility is.

In my responsibility, I have no authority over the Freshwater Fish Marketing Corporation and the member recognizes that fully in his own statements and yet suggests that I should, in some manner, be able to dictate to the corporation what they should be doing.

MR. A. DRIEDGER: I said negotiate with them.

HON. L. HARAPIAK: The other point the member should keep in mind when he talks about the sale price of these products, that all returns achieved by the corporation, exclusive of the cost of operation, go back to the fishermen. So it is really operated as a fishermen's cooperative in that sense. So any benefits that accrue from a particular price, go back to the fishermen involved.

I am not going to close the door to any discussions. He makes reference to a submission. I have not seen it. If people are interested in submitting to me for my opinion, a particular proposal, I will take the time to read it. But I will not suggest that I have some authority over the Freshwater Fish Marketing Corporation.

I think there is a board of directors for the Freshwater Fish Marketing Corporation and there are fishermen that are actively involved in this and they should be party to that discussion.

MR. A. DRIEDGER: Mr. Chairman, I just want to express, once again, disappointment in the attitude of the Minister. I thought I was relaying this sort of on an informative basis, asking his gut reaction to it, and he gets up and he's not going to dictate here, go and ask there, this and that. That's fine. We'll leave that. There's other avenues where we can pursue that, possibly.

But I must say that is not what I had expected. I had thought here was something we could explore the possible avenues of maybe getting this thing moving but if that is not the case, fine, we'll continue on.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Mr. Chairman, I took the opportunity to go out on the lake this year with the fishermen and I spent a fair bit of time with the south basin fishermen. At one point in time, they used to sell a lot of carp and a lot of mullet and they used to get some half-decent money for it. In the last while, basically the carp and the mullet - well, they don't catch the carp - and the mullet have been left in piles on the lake and of course we see them drift in in the spring because there's just mounds; there's tons and tons and tons of them. There was a market for them. The feeling of the fishermen is that the Freshwater Fish Marketing Board, being so busy with pickerel, have not maintained the market for the rough fish and therefore they've lost this market.

What knowledge has the Minister got of this?

HON. L. HARAPIAK: Mr. Chairman, again I want to indicate to the member, in responding to this question, that I can give him my observations, but I do not have any jurisdiction over the Freshwater Fish Marketing Corporation. Certainly I would be delighted if more markets could be developed for the course fish which exist in the lakes of Manitoba; Lake Manitoba, Lake Winnipegosis, Lake Winnipeg; a lot of course fish. The Freshwater Fish Marketing Corporation, I think, has done, given the markets that exist, an incredible job in marketing this product. There were, just last year, the significant sales to the Ivory Coast and I understand that there's going to be a sale again in this year.

The problem that you face, in terms of marketing the course fish, is that there are even less despite the cost. They're very inexpensive and the return, as the member would know, to the fishermen is quite low. It would seem that there should be all sorts of markets for that fish. When you look at the course fish that are available in salt water, they can provide even a lower cost of course fish. So it is a very, very competitive market.

MR. E. CONNERY: Mr. Chairman, I know the Minister has no control over the marketing board, but I'm sure that the Minister must know that the Federal Government will dialogue. Now, I would have some concern whether they want to dialogue with this government who have been bashing them. But if you were a reasonable group and you had a problem - and I'm sure you want to represent the fishermen of Manitoba - but you have to be able to go the Freshwater people and dialogue with them.

The fishermen have identified to me a very major concern, a very major financial loss in the terms of these rough fish. Now, the Freshwater Fish Marketing Board will not allow anybody else to come in and process them and sell them. If there is no market - that the Freshwater hasn't got a market and so isn't processing, to any amount, these fish, why wouldn't the Minister then petition the Federal Government to allow somebody to come in and process rough fish in Manitoba, even exclude the pickerel?

But there is a market, they believe, for these rough fish and I'm told - wasn't it a Japanese group who wanted to come into Manitoba and process rough fish and they had to buy them through the marketing board and the marketing board isn't selling? So why wouldn't

the Minister now say okay, there's a problem out here that has been identified; let's put some effort into it, let's do some research on it. If in fact there is a problem that we can do something about, then let's go to the Feds, not in a bashing nature, but in a conciliatory nature and talk to them about the problem and try to resolve something for the fishermen.

HON. L. HARAPIAK: Mr. Chairman, I want to indicate to the Member for Portage la Prairie that I consider myself to have very good communications with the Federal Minister. I've had two opportunities to meet personally with the Minister and discuss the Freshwater Fish Marketing Corporation in particular.

I have to indicate to you that both of us agree that there was a very important role on a continuing basis for the Freshwater Fish Marketing Corporation to play. Now, if what the member is indicating by way of comments, some dissatisfaction with the manner in which the Board of Directors of the Freshwater Fish Marketing Corporation is conducting the affairs of that corporation, he has to remember that it is the Board of Directors, I suppose, that should be conveyed to. If he would like to convey more specific information about opportunities that were not taken advantage of by the Freshwater Fish Marketing Corporation, I would be quite prepared to enter into discussions with the management and the board of the corporation to determine why those markets were not accessed.

MR. E. CONNERY: Mr. Chairman, I explained to the Minister what the concerns were that were brought to my attention. I was on the lake; I saw the fish that were there. Now, have those markets for mullets and carp dried up that were there at one time?

I'm also told that at certain times of the year there are so many pickerel around that they haven't got time to do the rough fish and so make more money out of handling the pickerel, so they concentrate on the pickerel.

Now some of these allegations, Mr. Chairman, could be not completely true, but all I'm saying is that the department, the Minister and his department have the wherewithal and the manpower to investigate. I'm suggesting that maybe he should sit down with some of the fishermen and maybe - I know the fishermen from the south basin have been in to see this Minister, also, and they've got some concerns. We've got other concerns besides the marketing board, but all I'm saying is, let's take a look at it.

HON. L. HARAPIAK: Certainly, Mr. Chairman, as the Member for Portage la Prairie indicated, I think I've had two opportunities to meet with representatives from the Lake Manitoba fisheries. Specifically, I've had meetings in my office with representatives from other sectors of the fishing industry. My office door is open and if there are some ways in which we can contribute to the enhancement of the fishery, recognizing that there is a limited market for that rough fish, but if there are some ways in which we can improve it, I would be glad to participate in those discussions.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, I would like to pursue the area of commercial fishing a little further.

I read in the paper today that Lake Winnipegosis has been closed down for three years to commercial fishing and there's certain dissatisfaction obviously from the commercial fishermen in the area. They feel that by closing it down they should be compensated. My problem is, why has it come to the point where we have to close that lake down? The statistics show that, over a period of many years already, the fish take was declining on there. Were there other courses of action that could be taken besides this dramatic action that finally has resulted in the closing of the lake for commercial fishermen? I wonder if the Minister could maybe give us some statistics in terms of what happened over the last year because my understanding is, already for years it was dwindling and was getting to be a problem area. No action seemingly was taken; or was there action taken until the point where we finally had to close the lake down?

HON. L. HARAPIAK: Mr. Chairman, I guess there are a couple of things that I want to indicate with respect to the news item that appeared on the paper this morning. One, the article indicated that the fishermen were being paid \$100,000 to stay at home and that is absolutely incorrect. There is a program being put in place where the fishermen can participate in a work program at a rate of \$5 or \$6 an hour which is not a flush wage, but they are going to work. If they participate in the work program, they will be eligible, but it is not a payment to stay at home. I want to indicate very clearly for the record that is the case.

I want to also indicate for the record that this was a decision that was made by the fishermen. We were aware that, and as the member has indicated, that there was declining production on the lake. There were different attempts being made to counteract that with respect to zoning delays, using different mesh sizes, using the restocking programs. Still, the downward slide was continuing.

In my involvement with the department, we reached a decision that probably the only alternative was to close the lake and see how it would respond for the summer season. Let me point out clearly that this is a closure for the summer season only. The winter fishery will still carry on. But we said, let's close it for the summer season, and see how this impacts on the stock.

It was my intention to close it for a three-year period, beginning in 1987. I had a meeting with the Lake Winnipegosis fishermen in Swan River in June. At that meeting, the fishermen agreed fully that the lake should be closed. They participated in that decision, but they indicated in fact what they would want to do rather than wait until '87, they said if we fish for another year, there will be perhaps a further deterioration of the stock. Let's close it this year. It was the fishermen who indicated to me their desire to close it a year in advance of the date that I was bringing forward.

But as well, they indicated that it will be difficult for us to meet our commitments and carry on in the absence of any kind of alternate employment. Through discussion with my colleagues, we were able to put in place a very modest work program, whereby the fisherman if they chose to, if they couldn't find some other form of employment, could participate in this work program and earn a very modest income. When that

proposal was presented to them in July at another meeting in Swan River, the fishermen voted. I think the vote was some 33, perhaps, to 11, in that ratio, certainly on a ratio of three to one. The fishermen themselves voted three to one in favour of the closure and in favour of the alternate employment program, if you like. So that gives the member some background on that issue.

MR. A. DRIEGER: Mr. Chairman, can the Minister indicate whether there is any rationale for the decline in the fish population. Is it strictly a matter of overfishing because, if you look at the long-term statistics on there, it stayed relatively level for a long time. Then, it seemed to decline.

There is speculation that possibly the Fairford Dam - you know, like people, when things like this happen, come up with all kinds of ideas, but certainly the department should be able to establish whether that has had any bearing on it. I wonder if the Minister could comment on that.

HON. L. HARAPIAK: Mr. Chairman, I have some information here that I could share in terms of the production record of the lake. There is indication that the walleye, which is the prime species that they would be interested in, has been very low since 1964. The levels since '64 have been at approximately 75 percent below the long-term average for the lake. So, the lake was a very, very productive lake.

As we indicated, since the Sixties, a number of different approaches of management that I referenced earlier in terms of zoning and net size and restocking have been implemented to try to counteract the effect. They have met with minimal success. The fishermen are divided in their opinion on the impact of the Fairford Dam. But certainly, in our meetings with fishermen, they will indicate - at least some of them have the suspicion that the Fairford Dam has somehow had an impact. We have no conclusive evidence that in fact the Fairford Dam has been the cause of this problem.

So I guess, Mr. Chairman, it is a combination of, given the capacity of the lake and the fishing pressure, there has been an excessive level of harvest, given the current capacity of the lake to produce. So it's basically that. It's been overharvested.

MR. A. DRIEGER: Mr. Chairman, I'm wondering if the Minister could maybe give us some further information regarding the Fairford Dam. My understanding is, and some of my colleagues indicate here, that the fishermen feel the fish ladder that's there is not functioning properly. If we're making a dramatic move of closing down the whole lake for fishing in the summertime, which I think is very dramatic and certainly must be in the eyes of the commercial fishermen, would the Minister consider the possibility of - you know, it indicated that we'll be stocking millions of pickerel into the lake to try and bring it back up to production. Will the Minister at the same time consider dealing with the fish ladder to the satisfaction and in such a way that the people have confidence that, if that works, that might give more assurance and dispel the concern about the Fairford Dam at this stage of the game?

HON. L. HARAPIAK: Mr. Chairman, we have monitored the movement of fish through the fish ladder, and we

know that they can move back and forth. I don't think that there is any doubt that this, were it in its natural form, the fish would move more freely. Now, it will be interesting to observe this year. The logs were out completely for a period of time, so certainly the question of the fish ladder should not have been a factor for most of the season.

The fish ladder, we can say, does work. I don't know how you would prove conclusively that it is 100 percent efficient. I don't know how you could prove that.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Mr. Chairman, who from the department is an expert on fish ladders? I'm not trying to be critical. I'm just trying to be constructive. Who really is fully knowledgeable on fish ladders, that the ladder that is there is really a good one?

HON. L. HARAPIAK: Mr. Chairman, we rely on the advice of a person by the name of Chris Katopodis, who is with the Federal Department of Fisheries and Oceans. We do not consider ourselves to have all of that expertise on staff, so we rely on the Federal Fisheries and Oceans for some input in that regard.

MR. E. CONNERY: Mr. Chairman, does that man live in Manitoba or is he based out of Ottawa, or what's his residence?

HON. L. HARAPIAK: Mr. Chairman, he is in Winnipeg with the Freshwater Institute, which I don't know if the Member for Portage is aware, is situated on the grounds of the University of Manitoba.

MR. E. CONNERY: Then, Mr. Chairman, maybe some time this fall, I might take the opportunity, if I can, to meet with this gentleman and have some discussions. The fishermen also maintain, because of the desire to maintain a water resource back for Hydro that a level on Lake Manitoba is being held, and that the natural tendency for the fish is to move out in the winter with the water. Because there's a lot of water being held back and let out during the winter, it's the natural thing for fish to go downstream when it's get colder and back up as it starts to warm. Because of the late letting of the water in the winter, more fish go out in the winter and then also have problems with the ladder. So that also has been a comment.

HON. L. HARAPIAK: Mr. Chairman, as I indicated in our discussions yesterday evening, I believe, the Manitoba Water Commission is concluding a report on Lake Manitoba. They will be looking at all aspects, and perhaps there will be some commentary on this impact. If there is, we will share that. As we indicated, we would be sharing that entire report. But I have no information at this time which would lead me to either support or oppose that kind of a notion.

MR. E. CONNERY: Mr. Chairman, I would question, does the Minister have any knowledge that part of the Manitoba Water Commission would be to determine something to do with the movement of fish? I find this a little bit ludicrous, that they're looking at water levels

and maybe what it's doing to the bank erosion, and so forth.

Is it part of the mandate to see if it's got any detrimental effect on fish movement?

HON. L. HARAPIAK: Mr. Chairman, the Water Commission had the mandate to look at all aspects of the lakes operations, so this would not have been excluded from their mandate.

MR. A. DRIEDGER: Mr. Chairman, I believe last year was the first year that an experimental perch fishing took place, with small nets in Lake Manitoba and I believe it's two years now that it has taken place. The first year it was on an experimental basis and last year we discussed the possibility of having it done in January and February of the winter. I wonder if the Minister could indicate the success of the program.

Apparently a lot of poundage was caught of perch. Also I've been told that some of the commercial fishermen feel that the large amounts of perch have been detrimental to some of the pickerel - perch that we have - and was just wondering if the Minister could bring us up to date where it's at with that program.

HON. L. HARAPIAK: Mr. Chairman, that fishery was operated on Lake Manitoba for two years. There was an attempt to see whether they could harvest the perch without having a detrimental effect on the sauger population.

The first year the experiment seemed to work quite well and there was a high percentage of perch and a very limited amount of sauger. In the second year the experiment did not work so well. The fishing was not as selective and there was a high level of sauger being taken as well. So we've backed off that position and there will not be a perch fishery for '86-87, but then we will look at doing it rather than on a yearly basis on what is called a pulse fishery; from time to time we would allow the harvest of that.

So it was only in the interest of protecting the sauger that we have some reservations about the harvest of perch in that way.

MR. A. DRIEDGER: Mr. Chairman, the program was in effect for two years. Can the Minister indicate - like the one year I recall when it was implemented there was some concern about it being the right time of the year and I think it was changed for the next year - was the fishing done at the same time of the year each time? If not, that could possibly - if they're scrapping the program based the second year's results - maybe they should look at the time when they allowed it and maybe the program isn't that bad.

HON. L. HARAPIAK: Mr. Chairman, the test, if you like, was conducted at pretty much the same time each year and there was this difference; and the fishermen themselves were expressing a concern about the level of harvest of the sauger because you require - I think what has to be understood here is - a smaller mesh size for the perch. And if you are using that small mesh size to catch the perch, you are in fact then taking immature sauger and the fishermen themselves were concerned that we were harvesting the small sauger;

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and they themselves were indicating that perhaps the risk was too high; and that rather than trying to use the three-inch net to harvest the perch and jeopardize the sauger population, that we should reassess this.

MR. A. DRIEDGER: Regarding fishing licences, Mr. Chairman, I believe the Minister indicated that there has been expanded licences - is it the Lake Winnipeg area or is it Lake Manitoba area? He indicated something like extra 20 permits have been issued.

HON. L. HARAPIAK: I'm not sure that the member is referring to a comment I made here today. I don't remember if it was making any reference to licences. But in response to the Member for Emerson or Lakeside the other day, I indicated that over the last four years there was a fairly significant increase in the number of licences on Lake Manitoba. Is that perhaps the reference?

MR. A. DRIEDGER: Can the Minister explain, Mr. Chairman, the rationale to keep on adding licences to Lake Manitoba? Is our supply in Lake Manitoba that good that we can continue to issue licences? And can the Minister indicate what criteria is used in issuing licences on Lake Manitoba?

HON. L. HARAPIAK: Mr. Chairman, basically the licences have been issued in response to demands from the fishermen. The criteria for eligibility was that a person had to be a resident of that lake area and believed to have been a fisherman or to have helped for two out of five years. And if that was the case, the person was eligible for a fishing licence on the lake.

There was a great interest in this. A lot of people were applying for them. We have met with the representatives from the fishermen's organization and we've agreed that you cannot carry on with adding more and more licences. We have to look at having that level off and monitor the fish population and perhaps, in the future, they may even need to reduce the number of licences.

If the harvest indicates that there are excessive pressures on that, we would not be opposed to considering it at this time. But basically at this time what we are looking at is not adding to the number of licences that are available on that particular lake.

MR. CHAIRMAN: The time being 5:30 p.m., I am leaving the Chair. The committee shall return at 8:00 p.m.