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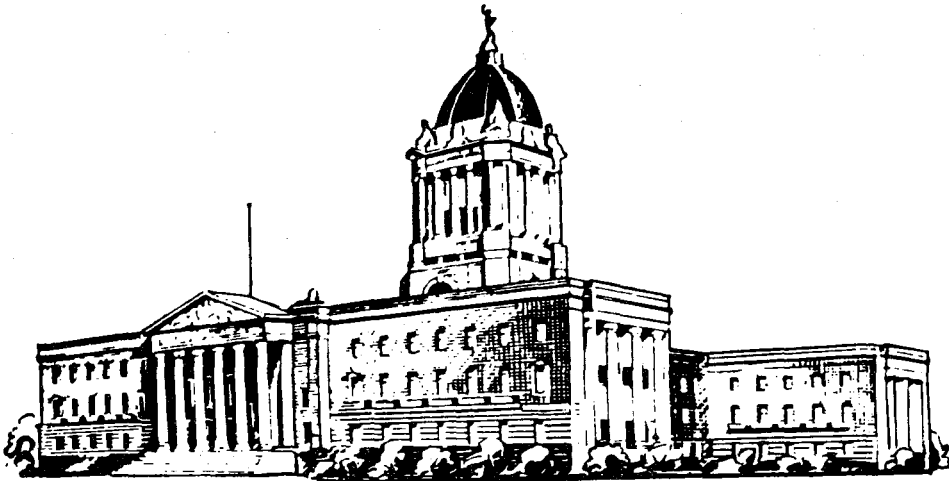
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

26 Elizabeth II

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The Honourable Peter Fox
Speaker



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TIME: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 26 students, Grade 9 standing, of the Munroe Junior High School. These students are under the direction of Mr. Minkus. This school is located in the constituency of Kildonan, my own constituency.

We also have 30 students, Grade 11 standing, of the West Kildonan Collegiate. These students are under the direction of Mr. Butler. This school is located in the constituency of the Honourable Member for Seven Oaks, the Minister of Finance and Urban Affairs.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Labour.

HONOURABLE RUSSELL PAULLEY (Transcona): Mr. Speaker, it has been the custom of this government when in session to provide members of the Assembly with information as we receive it in relation to unemployment. I wish to make a Ministerial Statement dealing with the unemployment information of the Province of Manitoba at this stage. There are copies there for the respective parties and yourself, Sir.

If I may, Mr. Speaker, referring to the statistical data that has been given to me this morning as a result of Statistics Canada, I indicate that there has been an increase in the total number of unemployed in the Province of Manitoba and the unemployment rate in the province has experienced an increase of approximately 9/10ths of 1 percent February over January. I may say, Sir, that this is generally what has happened across Canada and that as far as the Province of Manitoba, its relative position has remained unchanged, that is, that it has the third lowest unemployment rate in the whole Dominion.

Insofar as actual numbers are concerned of unemployed, there was an increase in that number from 31,000 in January of this year to 33,000 in February which is an increase of about 8,000 over what the position was in 1976. I would like, however, to point out to members of the Assembly that our labour force increased by 1,000 — February over January — to 442,000 people and this is an increase of 18,000 more in the labour force than the situation was a year ago. Total employment decreased by 1,000 to 409,000 but again, Sir, I indicate to you that this is 9,000 greater than it was in February of a year ago.

I want to, on behalf of the government, indicate to members of the Assembly that we are fully cognizant of the increase in the numbers of unemployed and as the Minister responsible for Public Works and the First Minister indicated to the Assembly yesterday and a few days previous to that, we are drawing off of our reserve shelf projects that may overcome the difficulties that we are experiencing at this time in respect of unemployment.

So I say, Mr. Speaker, that while we recognize the increase in the total number of unemployed in Manitoba, we also indicate that the province had made prior undertakings to have on our shelves certain projects that may overcome the difficulty in respect of employment and unemployment. Again I say, Mr. Speaker, as indicated by the First Minister and the Minister of Public Works, activity is taking place to instill into the economy of the province of Manitoba work projects which hopefully will result in a lowering of the numbers of unemployed in the province of Manitoba.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. SHERMAN: Mr. Speaker, in responding to the statement just delivered to the House by the Minister of Labour, I would say that I certainly can speak for all members of our group and I would think for all Manitobans when I express to you, Sir, our feelings of deep concern and deep distress over the latest reports with respect to the unemployment levels in Canada and particularly with respect to Manitoba's position in that spectrum. The question that comes most readily to mind I would suggest, Sir, is the question as to why Manitoba's position has deteriorated relatively speaking in such drastic and alarming fashion vis-a-vis the position of other western provinces in Canada. The report from Statistics Canada indicates that Manitoba and the Atlantic provinces have now the worst record in terms of the change in the unemployment picture during the past month of any provinces in Canada, which puts us into a very disturbing position in the scale. So I say that the basic question that we would ask is what are the reasons for Manitoba's

decline in the face of much better performances readily speaking by all other provinces in western Canada? Obviously this condition that is not related to western Canada as a region, is a condition that, unfortunately, at least in the context of this time frame, is indigenous to and peculiar to Manitoba alone.

The other question or two that we would have, Mr. Speaker, would probably best be directed in the area of the First Minister. We would be interested in knowing whether the current situation and the latest unfortunate statistics would, in any way, persuade him to review his posture and the province's posture with respect to the controls program and with respect to the overall anti-inflation regulations existing across the country, including this province. I would suspect that there would be some initiatives of a wide-ranging nature being examined by the Minister of Public Works in concert with the Minister of Labour and other colleagues of theirs in the government, as to what kind of undertakings might be launched to improve the employment situation but I think that the First Minister would also consider it incumbent upon him to reassess the province's entire position with respect to the controls program now that the unpleasantness of Manitoba's employment picture has been so glaringly disclosed.

Finally, Sir, could I say that I think the Department of Continuing Education and Manpower has a serious mutual responsibility in this field. It's unfortunate the Minister is out of the country on government business at this time because I would suggest that one of his top priorities in this context is to be working with the Minister of Labour to develop programs to combat this problem. The fact of the matter, Sir, is that it's no longer partisan or political, if it ever was, for anyone to argue that Manitoba is falling behind economically in the national context. The climate for business growth and expansion, and job creation and job opportunity here has been too long stifled. That once may have been dismissed as a political or partisan statement but, Sir, I think the Minister's statement and the report from Statistics Canada now indicates quite clearly that it is a fact that this province is falling behind economically and the only thing that is going to correct it in a realistic fashion is not make-work projects, but is a change in direction and philosophy of this government with respect to the need for economic growth instead of an expansion.

MR. SPEAKER: Order. Any other ministerial statements. The Honourable Minister of Consumer and Corporate Affairs.

HONOURABLE RENE TOUPIN (Springfield): Mr. Speaker, I would like to table the Report for Consumer Corporate and Internal for the year 1976.

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

ORAL QUESTIONS

MR. SPEAKER: The Honourable Attorney-General.

HONOURABLE HOWARD PAWLEY (Selkirk): Mr. Speaker, I would like to provide written responses to questions posed by the Leader of the Opposition Thursday, March 10, 1977 in the House. I guess one for each House Leader. RE: GRIFFIN STEEL - RESPONSES TO QUESTIONS BY THE LEADER OF THE OPPOSITION, THURSDAY, MARCH 10th, 1977.

Question 1. "How many persons have been charged as a result of incidents at the Griffin Plant since February 28th?"

Since February 28th, 16 persons have been charged as a result of incidents at the Griffin Plant. 10 persons were charged on March 8th, 1977; 3 persons were charged on March 9th, 1977; and 3 persons were charged on March 10th. No charges were laid on March 11th. There was one arrest this morning, however, the matter is under review and no decision has yet been made as to whether the arrested person will be charged.

2. "Under what Sections of The Criminal Code are these charges being laid?"

These charges were laid under Section 387 (1) (c) of The Criminal Code which provides as follows: "Every one commits mischief who wilfully obstructs, interrupts or interferes with the lawful use, enjoyment or operation of property".

3. "Are all persons removed from the Griffin Plant by the police being charged, that is all persons removed since the 28th of February?"

Not all persons removed from the Griffin Plant by the Police have been charged. It was decided to proceed initially by issuing warnings to the persons involved on the first three occasions. When the same person was required to be removed by the police on a fourth occasion, charges were laid. Commencing Monday, March 14th, persons required to be removed will no longer be warned but charged.

4. "If all persons are not being charged on what basis are charges being laid and on whose instructions?"

Charges are being laid on the instructions of Crown Counsel.

5. "Can the Minister give assurance to the House and the public of Manitoba that all charges laid will be proceeded with in the regular manner?"

Yes.

6. "If stays of proceedings are being contemplated on the charges, will the Minister advise the House and the people of Manitoba on what basis and on whose instructions such stays of

proceedings will be entered?"

At the present time all charges are being proceeded with in the usual fashion, and no stays of proceedings are contemplated.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. STERLING LYON(Souris-Killarney): Mr. Speaker, a question to the Honourable the First Minister. With respect to the polar gas pipeline and comments that the First Minister made, I presume recently, about anticipated developments in that regard, could the First Minister update the House with respect to the probability of the polar gas pipeline being routed through Manitoba? And secondly, what is the information with respect to the application before the NEB?

MR. SPEAKER: The Honourable First Minister.

HONOURABLE EDWARD SCHREYER, Premier(Rossmere): Well, Mr. Speaker, I certainly don't mind sharing my views with the honourable members of the House but, as I was careful to point out on the week-end when I was asked about this casually at a particular community, that I really was not in a position to speak in any way authoritatively, but merely on the basis of information which I have gleaned on the basis of meetings with some of the senior people of polar gas that it is simply to this effect, that sometime within the next twelve to eighteen months there will likely be an application to the National Energy Board with respect to the construction of the polar gas pipeline — the precise construction time of which is still somewhat uncertain but targeted for commencement in either 1979 or the early, very early 1980s — and that there is a differential, which differential has persisted according to their figures and calculations over the past two or three years, of approximately \$1.7 billion (less cost west of Hudson's Bay than east of Hudson's Bay) and that therefore the probability is for the western route but I wouldn't really want to presume specifically which of two or three sub-alternatives of the western route will be followed. But, as the Honourable Leader of the Opposition probably well knows, there has been a considerable amount of field work done by people retained by polar gas; field work in the Keewatin district and in the Churchill region, and the Gillam region. That's generally the nature of the briefing that I gave on the week-end which was admittedly of a non-authoritative nature

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK: Mr. Speaker, I wonder if I could direct a further question to the First Minister. In view of his expressed interest in this field of natural gas supplied from Manitoba, I wonder if he could indicate whether the Manitoba Government has made any determination of whether the Mackenzie line now being dealt with by the National Energy Board and the two alternatives that are being dealt with by the National Energy Board, if the government has made any determination whether the so-called Mackenzie line or the alternative Alcan line is in the best interests of gas supplies for Manitoba.

MR. SCHREYER: Well, Mr. Speaker, I would hesitate to comment on something that is, or will soon be seized of, by the National Energy Board; august body that it is.

MR. CRAIK: Well, Mr. Speaker, in that case, in view of the fact that the last provincial government proposal to the NEB was 1975, is the Manitoba Government intending to examine the two proposals and advise the NEB what they feel is in the best interest of Manitoba?

MR. SCHREYER: Well, Mr. Speaker, really it would be advisable for the Honourable the Minister responsible for the Manitoba Energy Council to reply or take it as notice.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, we have filed an intervention as I believe I indicated a few days back and we are maintaining a watching brief. At the moment, from the information we have, it seems that the Arctic line as such has the best chances of proceeding and it seems to be furthest along in terms of engineering preparation and in terms of financial servicing etc.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, could the Minister of Industry and Commerce indicate which line he refers to as being the Arctic line? Is that the Canadian Arctic Gas line?

MR. EVANS: Yes.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT: Mr. Speaker, I direct a question to the Minister of Agriculture. I wonder if the Minister could indicate to the House what input has been made from or through his office in regard to the discussions that are presently going on between Canada and the United States considering a possible wheat price arrangement.

MR. SPEAKER: The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW(Lac du Bonnet): Mr. Speaker, the Member for Arthur should know that that is a matter between the Government of Canada and the Government of the United States and that we do not get involved in direct discussions with the Government of the United States.

MR. WATT: I am quite aware of the situation as far as Canada is concerned. I am asking the Minister if he is not enough interested in the wheat farmers of Manitoba to have an input into the discussions that are going on on the biggest single export commodity that we produce in the

province of Manitoba; or if he is not interested in bringing together the three prairie provinces to have an input into the greatest single exporting product there is in Canada, towards negotiations between Canada and the United States at the present time?

MR. USKIW: Mr. Speaker, if there was such a venture I would hazard a guess that there would be a split on the prairies on that particular question, Saskatchewan and Manitoba versus Alberta.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK: Thank you, Mr. Speaker. My question is to the Minister of Urban Affairs. Can the Minister indicate to the House if the province is contributing any funds to the \$50,000 that the City of Winnipeg is paying a consultant to 'find out why there has been a decline in the urban transit passengers?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HONOURABLE SAUL A. MILLER(Seven Oaks): No, I don't recall that particular item, Mr. Speaker, so I can't indicate whether or not that is part of the transit operation or where that money is supposed to flow from.

MR. PATRICK: A supplementary. Can the Minister indicate if the government is putting any funds into the underground parking concourse at Portage and Main?

MR. MILLER: No.

MR. PATRICK: I have a supplementary and perhaps it should go to either the Minister of Urban Affairs or the Minister of Public Works. Can the Minister indicate to the House if the government is paying the parking fees for its employees? I know, since the Minister has indicated, he wants to encourage the people to use the transit system. Is the government paying parking fees for its employees?

MR. SPEAKER: The Honourable Minister for Public Works.

HONOURABLE RUSSELL DOERN(Elmwood): Mr. Speaker, I believe that is so in some instances. I will have to take that as notice though.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR: Mr. Speaker, I would like to direct this to the Minister in charge of fire protection. What is the Minister recommending regarding faults uncovered in the Town and Country Lodge fire investigations? A supplementary to that: What steps is the department taking regarding the recommendation, such as heat and smoke detectors; also amount of combustible material used in the structures, both urban and rural?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I was not informed of course, as my honourable friend normally does inform of the questions directed —(Interjections)— I don't know what the chit-chat is going on on the other side of the House but I think it is rather juvenile. However, there were serious points raised by the Honourable Member for Virden in respect of what the department is doing in respect of fire prevention. Also, I noted that the chief provincial coroner, in reading the news media, has suggested that smoke detectors may have prevented some loss of life. I am not going to quarrel with that honourable gentleman but we, for a long period of time, within the Fire Commissioner's Department, have had under investigation the use of fire and smoke detectors in dwellings and apartments. And we have had to, on a number of occasions, prevent exuberant sales people from selling smoke detectors, so that there has been a sort of a situation arising, Mr. Speaker, of people feeling that they are protected as a result of installing smoke detectors which in effect is not the case because they are, in some cases, not conducive to a perfect operation.

I want to assure my honourable friend, however, that we in the Department of Labour and particularly the Fire Commissioner's office, have conducted over the last three or four years a program of education for our firefighters across the province. We have, effective as of the 1st of April this year, the coming in of a fire code for the province of Manitoba which we are hopeful will resolve some of the problems referred to in the news media and attributed to the Chief Coroner of the province of Manitoba. We have constantly attempted to carry on an educational program but at the same time, may I say with all due respect to the Provincial Coroner, the mere installation of smoke detectors does not give the safety factor that people should have. And I'm not arguing with that honourable gentleman, I would like to discuss with him further, but I say to my honourable friend this is a matter of supreme importance to the Department of Labour and particularly the Fire Commissioner's section of the department.

MR. MCGREGOR: Mr. Speaker, a supplementary to the same Minister. Would he make it mandatory to have these heat and smoke detectors into the older buildings; say thirty and forty-year-old buildings that now haven't got that protection.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: The question of compulsion for older buildings of thirty or forty years, Mr. Speaker, in all due respect to my honourable friend, may be sort of irrelevant to the situation that we're confronted with because it is not only buildings of thirty or forty years old that may be subject to the incidence of fire. I recall that when I was in opposition to the present opposition, I carried on a

campaign to make smoke detectors and fire escapes compulsory for rooming-houses and the likes of that, and I was thwarted at that time in my endeavours by the united action of the then Attorney-General and the government of that particular day. And so I would say to my honourable friend, it isn't a question of the life-span of a building, as he suggests thirty years, but it possibly should be a question of compulsory legislation, and I don't discount this, of fire detectors or smoke detectors or other detectors being a requisite in all buildings.

MR. MCGREGOR: The last supplementary, Mr. Speaker. But is it not true all the tragic fires of late are in those older-type buildings?

MR. PAULLEY: No, Mr. Speaker, as a matter of fact I want to thank my honourable colleague, the Member for Brandon, who has just supplied me with the information insofar as Central Park Lodge in Brandon, where we had a couple of deaths — it was only six or seven years old. I think this strengthens the point that I have been raising. The age of a building does not necessarily control as to whether or not the building should have smoke detectors.

Then as far as fire alarms generally is again I want to say, Mr. Speaker' concerned that in some instances the fire alarms and detectors are manually operated, which gives a sense of false protection to the tenants of a building. And I also want to say that insofar as the Fire Commissioner's Department, that honourable members who are using the elevators in this building will note that we now have signs on all of the elevators that in the case of fire the elevators are, figuratively speaking, taboo because of the fact that automatic devices on elevators are rendered ineffective, in many cases, when there is a fire.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, my question is for the Honourable the First Minister and relates to the reported meeting which he and his Minister of Health had with the St. Boniface School Division relative to certain problems which I believe exist in the Norwood School Division. And my question, Sir, is to the First Minister. Has a meeting been called by him with the Norwood School Division and, if so, was such a meeting requested by that division?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, as I indicated to the Honourable Member for Fort Rouge several days ago, there was a meeting, very much informal, last week with representatives of the St. Boniface School Division and as to the purpose, well it was exploratory. There is another meeting being held with the neighboring school board, east of the Red River. I agreed to attend at such a meeting. It was not called by me but that's not the important point. I felt that such a meeting would be useful and will be attending. If my honourable friend has a follow-up, I will be glad to answer it.

MR. MCGILL: Mr. Speaker, a supplementary question. Did the Norwood School Division request assistance in settling what appears to be an internal dispute in their division?

MR. SCHREYER: Well, Mr. Speaker, my honourable friend is asking as to whether they requested a meeting or requested assistance, it's my understanding that they did request an opportunity to explore a number of alternatives but my colleague, the Minister of Health, certainly can be more precise in that.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Yes, Mr. Speaker. Some of the members, individually, of the different school boards, St. Boniface and Norwood, have been discussing their problems with me, amongst others, and have asked for assistance in a way. And all that the government did, and all that the First Minister and I did in the absence of the Minister of Education who was going through his estimates, is have a general discussion with the School Division of St. Boniface. We've asked certain conditions, would they be ready to assist as provided by the bill, providing of course that they were asked to do so by the Norwood School Board. It was obvious in discussing this with different people that there hasn't been the best rapport between the school boards; in discussion individually with members, yes. The intention then was to meet and an invitation was made — nobody was summoned — an invitation was made to the Norwood School Board to have the same kind of discussion and information with them to try to find other options, if need be, maybe with the assistance of the government. And then it was made quite clear to everyone that the school boards will decide, will iron out their problems. I think if the government can assist, we should do so and I certainly don't apologize for having met with these people.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Supplementary question to the Honourable the First Minister. Mr. Speaker, is this then a departure from normal government policy to intervene in an internal dispute and in the settling of a problem which is normally accomplished by the . . .

MR. SPEAKER: Order please. The Honourable Minister state his point of order.

MR. DESJARDINS: That the member is definitely not correct when he insinuates or makes an accusation that there has been intervention. That is not the case, that has never been the case and I

wish he'd take my word for it.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, to reply to the question, I would say simply that there is no intervention as far as I'm concerned. I was asked to attend at an informal meeting to discuss alternatives, to discuss problems and almost never do I refuse a meeting if requested by members of a municipal or school council, as a council or even as a number of individuals. Almost never. I would like to say never but I'm afraid I can't say that if sometimes it isn't possible. My honourable friend shouldn't worry about precedence because if he wants a precedent about intervention in intra-divisional disputes, I would refer him to the former Minister of Education back in the days when Crystal City and Pilot Mound couldn't come to a conclusion.

MR. SPEAKER: The Honourable Member for . . . Order please. Order please. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, again to the Honourable First Minister. In the resolution of the problems within the division and the possible assistance of this government, is there any involvement of additional funding or grants that would be necessitated by such a resolution?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'm not suggesting that the question isn't a valid one, but I'm sure the honourable member will appreciate that it is impossible to say in advance of a meeting what a meeting has decided, since it hasn't taken place yet.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON: To the Minister of Labour. When the 60 or 70 percent of the apartment fires start within suites and the victims never wake up, does this mean the Minister is biased against smoke and heat detectors and means it will never be compulsory until he is replaced or retired?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: No, Mr. Speaker. I would suggest to my honourable friend, who is a newcomer in the field of politics, as far as real politics are concerned, I would respectfully suggest to him that he goes back over Hansard and the performance of his colleagues when I, as a member of the opposition, attempted to make the provision of adequate smoke detectors and fire escapes a necessity for buildings in his constituency and also . . .

MR. SPEAKER: Order please.

MR. PAULLEY: . . . I also received, at that particular time, absolute objection from representatives of the Conservative Party in making such things as smoke detectors compulsory.

MR. WILSON: A supplementary. Now that the power is in the hands of the Minister, will he be making it compulsory?

MR. PAULLEY: I laughed at the chortles of the Leader of the Opposition because he was one of the forerunners in opposition at that particular time, to compulsion . . .

MR. SPEAKER: Order please.

MR. PAULLEY: . . . insofar as smoke detectors are concerned and now is, in his ignorance then, as now, suggesting compulsion for the protection of the people of Manitoba and may I suggest, . . .

MR. SPEAKER: Order please, Order please.

MR. PAULLEY: That's right, and we'll be here for another eight years and they're not long. Mr. Speaker, I would suggest to the Honourable the Leader of the Opposition — sometimes I question whether in fact he is the leader because he don't know what the hell he's talking about half of the time — that whether it's taken eight years or not to bring it about, that the interjections of my redheaded friend indicate . . . — (Interjection) — Yes, I'll answer the question.

MR. SPEAKER: Order please.

MR. PAULLEY: Mr. Speaker, I would answer the question if the stupid interjections of the Leader of the Opposition ceased. And he was one of the guys, he was one of the guys that prevented — (Interjection) — Yes, I'm capable and I am knowledgeable of your deficiencies, I'm knowledgeable of your lack of interest, I'm knowledgeable of how incompetent you are . . .

MR. SPEAKER: Order please. Order please. Order please. I do believe we can proceed in this Assembly without becoming personal. I also do believe that although I have a lot of tolerance to a certain amount of interjection and heckling, some of it is unnecessary and the people that are doing it should know better. The Honourable Member for Wolseley.

MR. WILSON: A supplementary. Is there any possibility . . .

MR. SPEAKER: Order please.

MR. WILSON: . . . is there any possibility that the Minister of Labour might make it compulsory during his term of office?

MR. PAULLEY: I would suggest to my honourable friend that he avail himself of and look into the new labour code that becomes effective on April 1st of this year. It could conceivably be that my honourable friend, the Member for Wolseley, has been so occupied with matters that are not of immediate concern in this House, that he hasn't had an opportunity of taking a look at the new Fire Code which comes into effect on the first of April. I recommend to my honourable friend that he gets

that document, peruses it and he will be more understandable of the objectives of the Department of Labour, the government, and the Fire Commissioner's office.

MR. SPEAKER: The Honourable Member for Thompson.

MR. KEN DILLEN: Mr. Speaker, I almost hesitate to ask a question. But after having spent a whole day trying to find the names of a secret committee that's operating in northern Manitoba, I want again to ask the First Minister, in the absence of the Minister responsible for Manpower, if the First Minister could inform the House of the secret committee whose names are unavailable to members of the public and who are responsible for recommending expenditures in millions of dollars of public money . . .

MR. SPEAKER: Order please. Order please. Order please. If the honourable member has a question, fine, if he wishes to make a speech he'll have to find another time. Does the Honourable Member for Thompson wish to rephrase?

MR. DILLEN: Yes, could the First Minister inform the House if this secret committee is operating in a manner consistent with provincial priorities and objectives?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I was at a loss yesterday, I'm afraid I'm still at a loss in terms of attempting to reply to the reported or rumoured existence of a committee of the Government of Canada that is making decisions in respect to LIP or Winter Works grants or whatever, and that is functioning on an allegedly secretive basis. I can only as a citizen, make enquiries, I'm not aware of this problem and I would assume, Sir, that it's not really technically acceptable under the rules of this House to deal with a question of that kind since it is outside the administrative purview of the province.

MR. DILLEN: Mr. Speaker, perhaps while the . . .

MR. SPEAKER: Order please. The Honourable Member for Morris state his point of order.

MR. WARNER H. JORGENSON: Yes. The point of order simply is that both the question and the answer are out of order as indicated by the First Minister since the matters that are raised by the Member for Thompson relate to a jurisdiction over which the First Minister has no control or no authority.

MR. SPEAKER: Order please. I thank the Honourable Member for Morris' assistance in this particular instance and I hope he will assist me in every other instance when someone has . . . Order please. I hope he'll assist me also in every other instance when a member has a wrong kind of a question. The Honourable Member for Thompson.

MR. DILLEN: Mr. Speaker, on a point of order, this question is relative to the Province of Manitoba because when a committee recommends expenditures in northern Manitoba of federal money, chances are in every single case, they will be coming to the Province of Manitoba to buy 2x4's, to buy nails, to buy paint, to buy equipment . . .

MR. SPEAKER: Order please. Any further questions? The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable, the Minister of Finance and I would ask him whether in view of Manitoba's serious unemployment problem, he will be considering introduction of taxation measures that will provide incentives to investment growth and business growth so as to create new jobs?

MR. SPEAKER: The Honourable Minister of Finance.

MR. MILLER: Mr. Speaker, we didn't wait until Budget time. On Friday, the First Minister announced a program of this Municipal Special Loan Fund of, I think it was, \$10 million to start to recycle the program which was very successful in the past and I'm sure will be successful in the future to try to cope with the problem of unemployment in a selective and directed way rather than to simply lower some taxes somewhere hoping that it will end up in more jobs.

MR. SHERMAN: A supplementary, Mr. Speaker. I thank the Minister for his answer but I would ask him: Will there be general taxation relief offered to provide incentives for business growth and expansion?

MR. MILLER: Mr. Speaker, the word "incentive" can be used many ways. I just indicated a very good incentive — an amount of \$10 million being made available through the municipalities to create jobs, very direct jobs; something that can be measured and not wishful thinking.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM: Thank you, Mr. Speaker. I would like to direct my question to the First Minister in the absence of the Minister of Cultural Affairs. I would like to ask the First Minister if any steps are being taken to ensure that Folklorama will be continued this coming year?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, the question affords me an opportunity to say that I am greatly enamoured of Folklorama. I believe it is one means by which the reality, the amazing reality of Manitoba life is manifested, namely, the living together in not only tolerance but harmony of so many people of different backgrounds. Therefore, I would be inconsolable if Folklorama did not continue.

MR. GRAHAM: A supplementary question. Will the First Minister then endeavour to use his good offices to ensure that the present difficulties with Folklorama are cleared up as quickly as possible?

MR. SCHREYER: I would be willing to meet with all those who would be concerned as long as the Member for Birtle-Russell would give me the assurance that he would ride shotgun so that the Member for Brandon West wouldn't accuse me of interfering.

MR. SPEAKER: The Honourable Member for Virden.

MR. MCGREGOR: Mr. Speaker, I would like to direct this question to the Minister of Agriculture inasmuch as we have passed it in his Estimates, what correspondence or conversation has the Minister had with Ottawa regarding the import of artificial cheese in whole or part that Ottawa and Washington are now negotiating and the harmful effects to the dairy industry of Canada and Manitoba?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Speaker, it is not correct to say that the Estimates have been passed, that is the Estimates of the department so that presumably there will be an opportunity to discuss that most fully. I am not really aware of the subject matter, however.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. STERLING R. LYON (Souris-Killarney): Mr. Speaker, a question to the Attorney-General arising out of the written answer that he tabled in the House today. Could the Attorney-General assure the House that all persons who were fourth-time offenders between February 28th and March 14th were, in fact, charged?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, to the best of my knowledge, all fourth-time persons were charged. Now if there is an exception to that, I am not aware of it but to my personal knowledge, all fourth-time individuals have been charged.

MR. LYON: Mr. Speaker, can the Attorney-General tell the House the rationalization by which the determination was made that only persons arrested four times would be charged?

MR. PAWLEY: Mr. Speaker, it has been our desire, particularly in view of the circumstances of the dispute which was basically a labour-management dispute and was basically one that was kept peaceful, that every opportunity be given within the discretion and within the discretion which is allowed to the Attorney-General to give every possible opportunity to those that were arrested to avoid future incidents which would bring about charges. Unfortunately, a few continued to do so and on that basis, the discretion was exercised.

MR. LYON: Could the Attorney-General then advise the House, Mr. Speaker, on what basis or on what rationale it was decided as of March 14th to charge all first offenders at that site?

MR. PAWLEY: By March 14th I think it was very very clear, Mr. Speaker, that every possible opportunity had been given in order to ensure that there be no misunderstanding as to the law pertaining to obstruction and every possible opportunity was undertaken in order to provide information, to remove any misunderstanding as to what would happen, already two weeks into the situation and certainly at that point, within the discretion allowed for, it was felt that there would be no justification for continuing to give second or third warnings.

MR. SPEAKER: The Honourable Leader of the Opposition. Final supplementary.

MR. LYON: Mr. Speaker, with respect to charges now being laid on a first arrest basis, can the Attorney-General advise why one arrest made, I presume it was yesterday because the statement was dated March 14th, is under review?

MR. PAWLEY: I couldn't because that is a matter that is being dealt with by Crown Counsel. I am sure that the particular matter referred to in the statement is being dealt with insofar as the technical aspects as to whether or not an offence actually exists or not by which a charge can be laid. So I can only say to the Leader of the Opposition, I assume that the considerations that have been given in that particular case are, I can assure the honourable member, are purely of a technical nature that would concern the professional expertise of Crown Attorney.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. WILSON: Thank you, Mr. Speaker. To the Minister of Labour. He reminded me that I had something else on my mind — the Industrial Inquiry Commission. Would the Minister now tell the House what his friend, an NDP candidate, is receiving for manning this commission?

MR. PAULLEY: I am glad, Mr. Speaker, that my honourable friend indicates that sometimes I do have an opportunity of penetrating his mind. It's his admission that sometimes it's rather difficult so to do but by his admission just a moment ago, it becomes evident to members of the Assembly that even his mind can be penetrated.

However, my direct answer to him: I have not received any bill from the Inquiry Commission dealing with the protest of October 14th.

MR. WILSON: A supplementary, Mr. Speaker. Would it be government policy to always hire people without knowing what the cost is going to be to the taxpayer?

MR. PAULLEY: Mr. Speaker, if that is worthy of an answer to my honourable friend, I am sure that

the ratepayers and voters in Manitoba would question as to whether or not my honourable friend was worthy of his hire.

ORDERS OF THE DAY — BUSINESS OF THE HOUSE

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour.

MR. PAULLEY: I wonder, Mr. Chairman, before the Orders of the Day that I might indicate to the — (Interjection)— I beg your pardon? You know, I sometimes wonder, Mr. Speaker, whether the juveniles on that side of the House are really competent to be in the House, particularly the red-headed so-called Leader of the Opposition but anyway . . .

MR. SPEAKER: Order please. The Honourable Member for Morris has a point of order.

MR. JORGENSON: Mr Speaker, pursuant to your suggestion that I assist you with the rules of this House, I now draw to your attention that the Honourable Minister of Labour is completely and totally out of order.

MR. SPEAKER: Order please. Would the Honourable Member for Morris also suggest that some of his members on that side were out of order as well? When we get a fair deal in this House, then we'll take note of all the discrepancy that takes place. In the meantime, I am trying to adjudicate and give every one an opportunity for a rebuttal to that which takes place. Until we behave like parliamentarians, we're going to have this problem. I would ask for the co-operation of all the members of the House to act like parliamentarians in this Assembly. The Minister of Labour as House Leader.

MR. PAULLEY: Thank you, Mr. Speaker, I trust that your message has got home. What is the point of order of my honourable friend, the Leader of the Opposition?

MR. SPEAKER: Order please. Order please. The Honourable House Leader.

MR. PAULLEY: But my honourable friend does not give me . . .

MR. SPEAKER: Order please. The Honourable House Leader proceed.

MR. PAULLEY: Yes, Mr. Speaker, it wasn't a question of any motion that I was going to propose but I intended to give some guidance to the House as the Deputy House Leader as to what I thought would be the proper conduct of the hearings dealing with the Estimates before I was interjected by that article and others.

However, Mr. Speaker, I would like to suggest that it appears as though the Estimates of the Department of Education may be nearing an end and that — (Interjection)— you see, Mr. Speaker, I can't even suggest procedures in the House without interjection from those parliamentarians, so-called, from the other side of the House. But apart from that, Mr. Speaker, I was going to suggest that when the Estimates of the Department of Education are completed, the Estimates of the Department of Health will follow in the Assembly and then on the outside of the House, that when the Estimates of the Department of Agriculture are completed, then the Estimates of the Department of Renewable Resources will follow, and then in the House, following consideration of the Estimates of the Department of Health, the Estimates of the Department of Labour will be considered in the Assembly. I give that information, Mr. Speaker, for the benefit of honourable colleagues.

And now, Mr. Speaker, having done that may I respectfully suggest to you, Sir, that the adjourned debates on second reading be proceeded with in accordance with the order paper.

ADJOURNED DEBATES — SECOND READING

Thank you. Bill SPEAKER : No.2 proposed by the Honourable Minister of Consumer and Corporate Affairs. The Honourable Member for Wolseley.

MR. WILSON: Stand, Mr. Speaker. (Agreed)

MR. SPEAKER: Bill No. 4 proposed by the Honourable Minister of Public Works. (Stand)

Bill No. 12 proposed by the honourable. . . no, it hasn't been proposed. The Honourable Minister of Municipal Affairs. (Stand).

Bill No.15. The Honourable Member for Wolseley. (Stand)

That That cleans the Order Paper of bills. The Honourable Deputy House Leader.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Education, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider the Supply to be granted to Her Majesty. Again, Mr. Speaker, indicating to honourable members the Committee on Agriculture will meet in Room 254.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair. '

COMMITTEE OF SUPPLY

ESTIMATES — EDUCATION

MR. CHAIRMAN, Mr. William Jenkins (Logan): I refer the Honourable Members to Page 20, Resolution 48(a), Minister's Compensation — Salary and Representation Allowance — Pass? The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, there were one or two questions which the Minister took as notice in the previous sessions and I presume that during the course of the balance of the afternoon, he may have an opportunity to respond.

I want to draw his attention now, Mr. Chairman, to some figures relating to the school enrolment and some figures relating to the employment in the Department of Education. I have figures here indicating the total enrolment in Manitoba schools from 1966 until 1975 and the Minister is quite familiar with them. He knows that they reached a peak of 247,500-odd in 1971 and since that date to the end of 1975 for which I have figures, there was a decline each year in the enrolment. There's been a total of about 7 ½ percent decline in total enrolment since 1971. I don't have the figure for 1976. I presume the Minister does have that figure, and if he has I would like to add it to this list.

So, Mr. Chairman, we're faced with, at least for the past five years, a gradual reduction in the enrolment of pupils in our educational system in Manitoba. What then has happened to the number of people whose responsibility and work it is to provide the overall support through the Department of Education, to these declining enrolments?

Well, Mr. Chairman, it is very interesting I think to look at the number of people employed by the Department of Education as contained in the supplement to Public Accounts. Beginning in 1972 we had 129 in the department. There was an increase in 1973 to 143. In 1974 it got to 179, but then things began to grow a little bit wildly and by 1976 a total of 322 employees. Well, Mr. Chairman, what are all these people doing? We have a declining enrolment, a function of the Department of Education which it appears is being somewhat reduced. We have some branches that have been phased out. We have some intent to decentralize and to provide more and more authority in the school divisions. How is it that we should have 145 percent increase in the staffing of the Department of Education while the total enrolment in the schools is actually declining? Now surely, Mr. Chairman, there must be some explanation for this. Is the department assuming a greater role in the educational system? Is it managing to maintain the same role or is its role actually declining? And how is it justified that we should have a more than doubling of the number of employees in that department in the past three years?

MR. CHAIRMAN: The Honourable Minister of Education.

HONOURABLE IAN TURNBULL (Osborne): Mr. Chairman, I must express some amusement at, I guess what are normally opposition tactics no matter what political party they are, it's either, "You've got too many staff and aren't doing enough" or "You haven't got enough staff and you should do more." No matter which way you move there will be a criticism of what the government does, and that is fair enough, that's their job to pick holes in everything no matter what any government tries to do.

I assume the figures given by the Member for Brandon West include the departmental personnel employed in Frontier School Division. The Frontier School Division personnel, of course, provide services to a far-flung school division. I believe, in geographical extent, it is the largest. I believe that in problems that have to be coped with in that division they are likely the greatest in magnitude. The divisional staff of Frontier do have simple logistics problems, how to get from Berens River to Norway House. I mean that isn't a matter of a simple activity, that is difficult to do.

In addition, the member will recall from the figures I read out to him last night, that there are 40 teachers' aides employed in the Frontier School Division, and these people are part of the departmental thrust to employ individuals who were born and brought up and to a large extent, educated in the northern parts of our province. I believe the total figure given for that staff in Frontier was quite high, and he hasn't said that the figures exclude that or not, so I am assuming that they include them.

The other major growth area, I believe, is in the services provided by Child Development and Support Services. I can tell him that when I became the Minister responsible for this department, I had on my desk something like 250 letters from people all over the province and outside of the province, letters that were written to ask various questions about the provision of Child Development Support Services and related services.

The Child Development and Support Services staff are helping to provide support to teachers in divisions. The particular area of their responsibility as has been discussed during the details of my Estimates were with regard to children with special needs. It is a needed service. It is a service that I expect will expand in the future and I hope that the Member for Brandon West would not want to make a political issue out of the Department of Education hiring staff with special skills to provide programs to children with special needs, children who in the past have been denied even access to a school, never mind access to staff trained and programs developed to cope with their particular problems. So that's one major area of growth in the departmental staff.

The other point that I should make in general — we have gone through all the detail of the departmental staff — is that the staff man years of the department in 1975-76 were 426, rounded out.

In 1976-77 the vote dropped to 414. In 1977-78 we're predicting about 403. So there is likely going to be a decline in the staff of the Department of Education.

I don't know, Mr. Chairman, where the figures that the Member for Brandon West used came from. He did not spell out very clearly just precisely what figures these were, whose they were, who they related to, but I have given him the answer. The main growth has been in Child Development and Support Services as I recall, and that's a much needed service which I whole-heartedly endorse and support.

MR. MCGILL: Mr. Chairman, if the Minister didn't hear my explanation as a premise to the figures which I gave him, this count was taken from the supplement to Public Accounts for the years which were noted' and if the supplement to Public Accounts includes those employees of the Frontier Division then surely they were included in that total count. And that supplement to Public Accounts contains the names of all those members of the department whose reimbursement is above a certain figure anyway. So I presume that all or nearly all of his employees would be contained on that list.

Now, I was not aware that there had been any great enlargement of the Child Support Services Branch. There are a number of increased employees in divisions providing those special services. That has taken place over a period of years, but I am referring the Minister particularly to the great growth which has occurred according to the statistics we have, and I don't think they can be questioned because they are a count of actual names of people in his department.

This has occurred since the election in 1973 and there does not appear to be evidence in the reports of the department of new directions, but simply an increase of staffing of those support areas which were already in place. In spite of the somewhat emotional statements of the Minister relating to the Branch of Child Support Services, it is still very difficult to understand why, with a total enrolment that is declining in the province, it should be necessary for him to increase or double his staff in the Department of Education in the short course of three years. Mr. Chairman, I think that certainly deserves some wider review and a more detailed explanation by the Minister.

On a topic somewhat unrelated, Mr. Chairman, and I refer the Minister to reports that were carried in the press about March 9th, on a meeting held of concerned parents at Anola. I think there were reported to be about 175 people attending. They were complaining about school conditions at Anola, and I would like the Minister to tell us what he understands about the difficulty that is recurring, I think, at Anola because I think there had been some problems before between members of the staff at that school. We understand that it is in the nature of an experimental school conducted by the Department of Education where differential staffing appears to be one of the principal features of the experiment at this school.

Now the parents who turned out in those numbers are evidently disturbed by the activities or by the program that is being delivered in that school, and it would be appropriate I think for the meeting to hear from the Minister what he considers to be the principal problem at Anola. What is this school intended to do that is different from other schools? Is he, in fact, conducting an experiment with the students that are attending that school? And what does he consider to be the action that should now be taken in order to eliminate the problems that the parents of the children feel do exist?

MR. TURNBULL: Mr. Chairman, this line of questioning is most interesting in light of the inferences made by the Member for Brandon West earlier, that any move by departmental officials or officials of the government indeed, was to be deemed interference in the affairs of a division. Now the Member for Brandon West has made a complete about-face and is asking whether the department is going to interfere in this area or not. Mr. Chairman, I will not comment on this matter because it's my understanding . . .

MR. CHAIRMAN: We've got a point of order. The honourable member state his point of order

MR. MCGILL: The Minister is saying that I am suggesting that there be interference I'm suggesting to the Minister that this is a special school in which the Department of Education has had a major role and I would ask him simply if he has monitored the problems which the parents are indicating do exist. I have not asked him to interfere in the school but to tell us why it is that an experimental school, in which the Department of Education is taking a major role, should now be under critical comment by the parents of the students going there.

MR. TURNBULL: Mr. Chairman, I was in the process of saying that I will not comment on this matter because I have a letter on my desk indicating that legal action will be arising as a result of the broadcast of that particular program on CKY TV.

MR. CHAIRMAN: Resolution 48(a), the Honourable Leader of the Opposition.

MR. LYON: Mr. Chairman, I have just a few comments and some enquiries of the Minister before we leave this department, because it is — not only in my estimation, Sir, but in the estimation I think of most people in Manitoba — perhaps one of the most important administrative departments of government that we have responsibility for. I know I need not read any lesson to the Minister on this topic. The future education of succeeding generations of children in this province is perhaps the greatest responsibility that does repose of any provincial government.

I'm sure that he shares with us the concern that is evidenced on all hands today in Manitoba about the state of education in our province. I don't suppose you can go into any business gathering or any social gathering or any community gathering of any sort at all without hearing some comment about the educational process, whether in the community, in the school division or in the province itself.

There is a feeling of crisis among parents, among students, among teachers, among the administrative personnel in our school divisions and indeed within the Department of Education, in the experts who people that department in somewhat considerably large numbers than was ever the case before in history. So there is this crisis in performance and in public confidence in education today that I think we all must address ourselves to and to determine, if possible, the directions in which this government is trying to give leadership in order to lead the province's people in a way that will settle this feeling of crisis that they presently have.

The public school system has been, since this province was founded, one of the cornerstones of administrative responsibility of each succeeding provincial government. I can't say from personal knowledge but only from a reading of Manitoba history and from some knowledge over twenty-odd years in public life and out of public life, as a person who has children himself in the school system, certainly I can't recall in my own period of time on the face of this earth, the feeling of unrest that there is presently in our educational system and about our educational system in Manitoba today.

There is great concern, as the Minister I'm sure well knows, about curriculum, about the direction in which experimentation has been going, a good deal of it fostered by people who have been brought into the Department of Education either on a contract basis or people who have been brought in to conduct certain experiments from other jurisdictions, very often I'm told by my friends in the teaching profession, experiments that were proved to be failures, particularly in U.S. jurisdictions and some others. But Manitoba became, it seemed, over the past number of years, a sort of happy hunting ground for these people to come and to experiment with their particular ideas on our children.

I would like to know from the Minister and if he has already given some indication of this to the Member for Brandon West at a time when I was not present, what he has been doing to curb this kind of inflow of outside personnel into the Department of Education whether on a contract basis or whatever, what he has been doing to curb these rushes of experimentation that school superintendents, school principals, school teachers, I'm sure have talked to him about as they have talked to me and most other members of this House, about these experimental programs that arise out of weekend meetings and so on and so forth — well, let's try this, let's try that, without realizing that the end product of all of this experimentation, the end product are the children of Manitoba.

Now the children of Manitoba, I'm sure the Minister will agree, are not guinea pigs and were not meant to be guinea pigs. We want contemporary, progressive, modern education for our children in this province the same as in all other provinces in Canada but we don't want some of the mindless experimentation that's been going on in a helter-skelter fashion over the last number of years in particular.

The state of the Department of Education itself is something that brings no joy to the hearts of any person in public life in Manitoba. I'm sure I'm not telling the Minister anything he doesn't know but the state of morale within his present department is perhaps as low as it's ever been in the memory of most people who are familiar with that department. For a number of years before he was attached to the department as Minister, I don't expect that he should accept responsibility for day-to-day direction for the department that went on before he was Minister, but he is the inheritor at least for a few months of trying to bring some order out of the chaos that developed in that particular department. I would like to hear from him just how well he feels he's succeeding in this task of trying to right a situation of leaderless drift that occurred for a good number of years within the Department of Education, which saw a number of the senior personnel of that department leave, take early retirement for the very obvious reason that they couldn't stand the lack of direction that was going on within the department.

In that connection, I would hope that the Minister would be frank with the House and tell us about the present position of the present Deputy Minister of Education whom he, of course, inherited from the previous Minister and what the relationship is between the Minister and his Deputy Minister today and what this new era of silence from the Deputy Minister, how that should be read particularly by the educationists of Manitoba and whether or not some of the rather novel and shall we say esoteric ideas that the Deputy Minister was responsible for are still being allowed to ricochet around the educational process in the Province of Manitoba without too much regard for the interest of the young people of this province.

So we are concerned — I'm speaking as much I suggest, Mr. Chairman, as a parent — we're concerned about what we see happening within the educational system in Manitoba today in terms of the lack of direction from the Department which in previous years, of course, had been known nationally as being one of the strong Departments of Education right across Canada. I think that in fairness we can say that probably the state that we are concerned about today didn't really begin to

manifest itself until about 1972-1973. I am not trying to delve into personalities of previous ministers and so on — even though there is a previous distinguished minister of that department sitting in the House, one of three members on the government's side at the present time — not trying to delve into that question at all but what is happening with respect to the direction that that department should be giving to the educationists of Manitoba and for the better learning procedures for the students of Manitoba.

What is happening, Mr. Chairman, with respect to curriculum in Manitoba? We have heard soothing speeches by the Minister, particularly outside of the House about a re-emphasis now on core curriculum. What does he mean by this? Is his judgement and is his feeling toward core curriculum in Manitoba the same as that that is being sought by most of the parents and most of the educationists in Manitoba? He comes from an education background himself and I would like to hear him expound a bit on what he feels a core curriculum should involve in the latter half of the Seventies and as we go into the decade of the Eighties.

What does he feel, for instance, about a re-emphasis on the basics which have to do with such fancy words as numeracy and literacy and what I bunch under the heading of communication and the ability to compute and so on and so forth?

What does he feel as an example, about adding French language as a language of instruction to a core curriculum in Manitoba having regard to the fact that some thirty-odd years ago, French, Latin, German were all regarded as prerequisite subjects for those persons who were taking University entrance courses? It's not such a new or a novel idea for Manitoba.

What does he feel about it having regard to the situation in the province that we have today, the fact that it is optional for high school students as to whether or not they will carry on in French at a time when the provincial government in turn is receiving greater and greater amounts from the federal government to encourage what? To encourage French language instruction in Manitoba. Do we not have some obligation having regard not only to the provincial but to the national situation in this country to pay some renewed attention to French language instruction in Manitoba and perhaps to improving the techniques of French language instruction in Manitoba so that we can begin at least to turn out students who have a certain amount of ability in spoken French, in conversational French, in our province.

What can he tell us, Mr. Chairman, about the meagre steps that he has taken, albeit we gave him congratulation for the new grants that were announced by him a few days ago with respect to the Foundation Program, with respect to the pupil-teacher ratio in the primary schools and so on? Does he really feel that this is going to have the kind of impact, is it going to be translated into reductions, never mind slowing down of increases, but is it going to be translated into reductions of mill rates in divisions where already the municipal taxpayer on his land, be it farmland, home property, commercial property or whatever, is paying on average a much higher price to support the cost of education in this province than in any province west of the Quebec boundary.

How does he translate this new grant structure into some direct relief for the overburdened taxpayers in that regard? I know it's probably a matter that has been brought to his attention but I bring it, unhesitatingly, to his attention again. You can't say to the farming community in Manitoba and the farm business being the big business in this province still and it will remain the biggest business for a good number of years, as far as we can see probably into the future, you can't say to the farming community today facing the kind of cost price squeeze that they're in, facing the kind of potential disaster that we do from drought, facing all of the other economic infringements on their income that to pay 4, 5, 6, 7, or in some cases \$8.00 per acre in terms of municipal taxes better than 50 percent of which is made up of school division levies, that that is acceptable when that same farmer can look at jurisdictions such as Saskatchewan or Manitoba — and the figures are available — and find with some degree of disgruntlement that people in the same occupation, relatively the same kind of land in provinces such as Saskatchewan and Alberta are paying considerably less. I believe it was the Honourable Member for Assiniboia who made that kind of comparison vis-a-vis persons living in cities like Edmonton, Calgary, Regina as opposed to the City of Winnipeg.

So how is this grant system going to translate into direct relief? I'm not talking about the tax rebate system because the tax rebate system is something that is common to many provinces in Canada. What I am talking about is direct reduction in mill rate impositions or impacts on real property in Manitoba. That is the core of the problem that faces school financing in this province today and no amount of tinkering around with the tax rebate system brings that kind of direct relief that can be brought if the Foundation Program is properly funded out of provincial sources in order to ensure that the municipal taxpayer, year by year, is not bearing an ever-increasing load. And that is particularly the case with respect to the farming community in Manitoba; it's particularly the case as well with respect to urban home owners, people on fixed incomes, all strata of society. We must, I think, admit that the tax rebate program with all of the benefits that it has does not apply as equitably to reduction of mill rate assessments on properties as would a direct tax reduction which would go right across-the-board and help all people in the community.

Tuesday, March 15, 1977

Well, Mr. Chairman, there are many many other topics, most of which the Honourable Member for Brandon West has gone into and gone into, I think, with a great deal of detail and with a great deal of concern and interest and, in most cases, I think the response by the Minister has been motivated by the same kind of interest. I do hope that he will keep in mind the concern, I don't want to exaggerate and use the adjective "desperate" — I don't think it's reached a desperate proportion — but the very very deep concern of parents, school children, teachers and superintendents, principals, assistant-principals, everybody involved in the educational system across Manitoba, and to say to him that a good number of these people in Manitoba are looking to this Department of Education for direction, for leadership, and they're not getting it. They're going to continue to look to this department for the kind of leadership that they've had in the past. We've got to put an end to the kind of chaotic structural setup that you, sir, inherited when you came into this department only a few months ago and I wish you well in the months that are left to you to try to bring some order out of that chaos. But that must be stopped and it must be stopped immediately. There must be clear lines of communication from the school divisions through into the department and from the Minister down through his department. In other words, it's got to be put back on an orderly administrative basis and whether or not my honourable friend would wish to admit this in an arena such as the Legislature, I'm sure that in his quiet moments outside of this House, he would be quite prepared to admit that there is administrative chaos

within that department which requires a major kind of rationalization if we are to get back to providing the kind of leadership that is necessary from the Department of Education through the school divisions in the province of Manitoba.

It is not my purpose in making these few comments on this debate to review the history of educational development in Manitoba. Some of us on this side of the House participated in the programs that were enunciated in the late Fifties and then later in the Sixties for the larger school divisions. By and large, I think those programs were good; in retrospect I think we can all see some mistakes were made in terms of the sizes of the divisions; in terms of some of the plants that were built and so on and so forth. I think that we have to be honest enough and frank enough to admit, particularly with the light and the wisdom of hindsight, that if we were doing something in that regard today, we would not necessarily do it in the same way. I would hope that the Minister would keep an equally open mind with respect to the funding of education in Manitoba, particularly on the question of curriculum and the question of education leadership, not to accept, I know as politicians are wont to do, that everything I've got here is perfect and I can't change it because if I go to make any change why, of course, my colleagues are going to say that we were wrong before.

I would suggest to the Minister that he go ahead and make some changes because his department cries for changes. I suggest that, without getting into personalities, that he seriously consider making some personnel changes and I suggest, as well, Mr. Chairman, that in the course of making those personnel changes, he consult and consult widely as I understand he has started to do with some of the school divisions, with some of the people who are devoting their lives to education. I have great faith in the teaching profession in Manitoba — great faith. I think that one of the reasons that we've been able to maintain the degree of sanity and the degree of direction and the degree of good pedagogical training in our school system in Manitoba is largely because the school teachers of Manitoba have turned their backs on some of the nonsense that has been emanating from the Department of Education over the last few years and have got on with the business of teaching young people in this province without that kind of experimental interference that was being thrust at them week by week, month by month and so on. So I pay that tribute to the teaching profession in Manitoba and it's not the only one that a person with five children can pay to them. I realize that the expression that is used in law that they are in effect the adoptive parents of our children during what — six or seven hours of the day — and there is perhaps no more important profession than the teaching profession in terms of the kind of upbringing and the kind of molding and the kinds of attitudes that our children come to develop next only to the parents within the family unit themselves. I hope that the Minister and the department will start again to be of help to these people; to be of help to true educational training in Manitoba; to be of help to turn out young people from our educational system who are outfitted to cope with the kind of pretty rough and tough world that we're turning them loose in, in this latter five years of this decade and on into the decade of the eighties. It's a tough time. There is a great deal more knowledge to be assimilated by children. There is a great deal that the children must know that they have absorbed from the media and from the different kinds of communication technologies that we have today that we didn't have 10, 15, 20, 25 years ago. I'm not suggesting for a moment that it's an easy area in which to work but I am suggesting that there is no area within the competence of the Provincial Government that is more important.

So in sitting down, Mr. Chairman, I wish the Minister well. I say that very sincerely because the job in front of him is a tough one. What he has inherited is a mess and there is nothing more important that this whole House has to deal with than the question of the future of our children in this province.

MR. TURNBULL: Mr. Chairman, I would like to thank the Leader of the Opposition for the kind words that he had for me and, more importantly, for the recognition that education is the most important area, perhaps, that the Provincial Government must be involved in. I recognize the challenge, I look for it and I accepted the challenge.

It is not only an area of responsibility for the Provincial Government because of the large amount of money that you put into it. It is an area of responsibility for the Provincial Government because of the way in which our constitution is drafted. That constitution is struck in such a way that responsibility for public education is solely within the provincial jurisdiction. In exercising that sole and complete jurisdiction of the Provincial Government I believe that there are two major purposes that need to be kept in mind. The first of these is to maintain and to ensure continually that the programs of education are developed in such a way as to meet the needs of the children that are in the school. The second major objective is to provide that program in such a way that the people who are paying the taxes do not become overburdened.

Mr. Chairman, if I address myself first of all to the development of program I have to say to the Leader of the Opposition that while recognizing that nothing is perfect, as I believe he did in recognizing some of the changes that his administration made when he once was on the government benches, while recognizing that nothing is perfect, I believe that leadership has been shown within the Department of Education, not only in the last five months but in the last eight years. What has this leadership been? It has been a leadership that has taken the reverse position of what used to be the case when the Conservative administration was in office. When they were in office I was teaching. I taught in northern Manitoba and I taught in a suburban area of Winnipeg. The problems of education at that time, apart from the provision of programs of need and use to the students, and apart from the problems of fiscal matters, the problems of that time were rigidity of curriculum where teachers who followed the rule book to the letter and would do nothing else. There were a few options of benefit to the students. There was nothing that the students could do within that school that would encourage them to stay there, if they were not academically bound. And we had a school system which produced people who were academically bound. And the rest, for them, they had to take much of the same course material. That was the problem eight, nine, ten, fifteen years ago. Too much rigidity in the curriculum provided by the Department of Education.

This government has responded to that by introducing some innovation and some change. I do not regard the change that has been introduced over the last year as change that is helter-skelter, or change that is in any way not conducive to a student learning. Quite the reverse has occurred. The whole point of teaching is to be able to maintain the interest level of the student. And you don't do that by pouring on to that student material that he is not interested in. So there have been changes in curriculum. There have been developments in curriculum and I think that these have been welcomed by many students. I agree there are those in teaching who will look upon any change at all as something that should be resisted and they are the conservatives in education. I do not mean the Party Conservatives but the small "c" conservatives. Because change in education means quite simply that they've got to revise their teaching notes. They've got to do some more work and that, of course, can be a problem.

So I think when he talks about program and the problems in the program area his assumptions are wrong. He starts from a faulty assumption. He starts from the assumption that all was perfect and the change that has occurred, naturally because it started from what is perfect is somehow now not perfect.

Mr. Chairman, there have been changes in the program of the schools. There was a question asked the other day about school initiated projects, and the answer I will give now. There was a question asked about the number of student initiated programs and the number of these completed in the last year; that is the year ending June 30th, 1976. These are the programs that the Leader of the Opposition is referring to. These are the student initiated programs which students can get credit for. You know how many there were completed in June 30th, 1976 — 292. There were well over 200,000 students in the school system. Mr. Chairman, I do not think that that kind of student initiated project, which does indeed involve the students and maintains their interest, lessens education.

He asked me about what I meant by the core curriculum. Mr. Chairman, I went through the core curriculum for members opposite detailing what I believe is contained in the administrative manual of the Department of Education. The ten core courses that are required in this province for a student to graduate out of Grade 12, more required courses now in Manitoba than there are now in Ontario even with the changes that the present Ontario Government and Department of Education have made.

Our educational system, despite what he would maintain and this is why I say that his assumption is wrong, our educational system in Manitoba has never been as trendily progressive as the educational system in Ontario. It is a system of education, I believe, that is a bread-and-butter education. The core courses are still there and the core courses are still being taught but the core courses should not remain the same.

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I do not want to dig into history, into various history books and education and dig up how students were taught and what they were taught and how they were examined, forty, fifty or sixty years ago. But I can tell him that the curriculum has changed since then. In 1968 it was different than what it was twenty years before that. And in 1978 it will be different than what it is in 1968.

The purpose of bringing about change or the reasons for bringing about change, I think, are good ones. Change must occur in education because education is a reflection of a society and surely the Member for Souris-Killarney would not omit that consideration in his debate. If society changes, so must the educational system change in order to provide those programs and skills that are necessary for the children in our school system. That has occurred in the past. It will continue to occur in the future.

The question is, Sir, how should it obtain? What should the Department of Education do? Should it dictate? Should its leadership be by way of dictation or should its leadership be by way of involving interested groups in a consultative process? Mr. Chairman, when I was teaching, in the end of the '60's, the role of the Department of Education was a leadership role of dictation, they dictated what was to be done in the schools. The leadership role that this government has assumed over the last years has been to alter that and to involve the various groups interested in education in the development of curriculum. So what do we have, as I explained, perhaps when the Leader of the Opposition was absent, we have today in the department under the auspices of the Department of Education three committees. They are called program development committees. They are related to the three educational levels in our educational system: elementary, the middle years, and the senior years. There are headed by competent people involved in education. Their task is to revise and devise curriculum, including evaluative techniques, which will be meaningful for our school system, which will be a curriculum that will satisfy the needs of our society and maintain the interest level of the students in the school system. It is a leadership role that is not dictatorship; it is a leadership role that is consultative. On these program review committees we have representatives of the Manitoba Teachers Society, the Manitoba Association of School Trustees, the Manitoba Association of School Superintendents.

That is the thrust that the department will be taking in the future to revise curriculum through all grade levels. I think it is a good thrust and I think it is something that will not only involve people, but because of that involvement, insure that the curriculum that becomes a part of the school system is a meaningful one and one that will be adapted and used by teachers. Adapted and used by teachers because only in that way can we have a meaningful curriculum.

I think that the Member for Souris-Killarney forgets; he forgets that education is a dynamic process. It does not stand still, it changes all the time, and to try to maintain that change is in some way a negative thing, I believe, is an attempt to fly in the face of the developments of a technological society.

Mr. Chairman, the Department of Education has shown leadership not only through consultative process and involving these people in the program development committees. It has shown leadership through the programs that have been initiated this year for evaluation that will eventually lead to the department having the kinds of information it needs to maintain ongoing assessment of how children are doing in school. Leadership has been shown by the initiation of grants to assist parents to become involved in schools. That involvement is necessary to break down the communication gaps that exist between the home and the school, and that gap does exist in many areas of the province.

There has been a change, as well, in the kinds of programs that have been developed which are not what needs to be repeated here, because I think that, as one of the editorial writers mentioned the other day, this education debate has got back to the three Rs and I was rather taken with the reference. The three Rs have come to mean in this legislature, if I recall correctly that editorial, reluctance, recognition and repetition. We have gone through the reluctance; the reluctance of the opposition to recognize that there has been change and that a lot of the change has been change for the better. Reluctance on the part of the opposition to recognize that change is necessary. There has been recognition, the three Rs are now recognition. And the Leader of the Opposition has in part recognized both the challenge and the need for leadership. That, we have yet to see, how the opposition will come up with a response to that. But I believe that in the speeches that I have made, which the Member for Souris-Killarney alludes to, the speeches that I have made through the province have resulted in recognition by those involved in education that there has been change; that there has been direction given; that there have been these new programs introduced, that the program review committees are set out on their tasks well organized and beginning to make headway in what is really a very complicated, extraordinarily complicated field which I'm sure the Member for Souris-Killarney would not want, even, to deny.

We have now the final three R as mentioned by that writer, namely repetition. We are going through, it seems now, the same old argument. The Members of the Conservative Party want to put it to us in such a way that somehow things aren't what they should be. And I have to say that although

there is a challenge clearly for the government and the Department of Education in this year, as in all decades, that we are measuring up to the challenge, that we are providing the leadership, that we are involving in a consultative process those that are or should be involved.

And I have to repeat too what the second area of our program involves, namely the financing of education. The Member for Souris-Killarney wanted to know what kind of financing this program, that I've introduced and was passed last night, means for the ordinary taxpayer. It means, in effect, in accordance with the estimates that we have made, a change for the better for most taxpayers. It means, in estimates, Mr. Chairman, on the estimates that we have made that some of the divisions, in fact there are special levies on the basis of our calculations will be zero increase, or there will be reductions. There will be reductions in the mill rates in many divisions. Now, Mr. Chairman, one does not want to get involved and too firmly tied to estimates, and these are only estimates, but of the twenty-one or so non-urban divisions . . . I'll get this straightened out, if I may — there are about forty-eight non-Winnipeg divisions and districts. Of those forty-eight approximately half will have a zero increase in mill rate or a reduction in mill rate. And in the urban areas, some eleven urban divisions, there will be a zero or a very minor reduction in four of them. So of the fifty-nine total unitary divisions, districts, etc. there will be a zero growth in mill rate or a reduction in twenty-five of them.

So in answer to the Member for Souris-Killarney I say that the program that we have before us, which is a program based on estimates, there will be a reduction in mill rates in some of those divisions. Divisions such as Hanover, Divisions such as Duck Mountain. And I think that one has to recognize, as I'm saying, that these are the result of our equalization scheme which does, in fact, bring about improvements in mill rates for those areas of the province that have a low balanced assessment.

Mr. Chairman, I recognize that education has to go through trying times. I only ask the members of the Conservative Party to not make education any more of a battle ground than they already have made it. There has been no intent in this administration to do those things in education which would cause the Conservative Party to get its hackles up and therefore there is no need for them to get their hackles up. I simply am tired of seeing education being used in away that I think, you know, might be in the way of a self-fulfilling prophecy. The members of the opposition after all are individuals who do have access to the media, and when they make the statements that they do, that in turn becomes part of the information network that floats through the community and there are many children who will hear their parents criticize the schools because of what they have read in the newspaper. Some of the stuff they have read in the newspaper, of course, is not information that the members of the Conservative Party here have put out, it's information that is based on reports that, as I have said before, were made in places like California and Boston and whatnot. But nonetheless, parents tend to pick that up as information, tend to interpret it as meaning their school system. I know that to be the case because I have parents phoning me, and saying, "What is this that is going on in our school system?" And when I question them about it, I find out it is, in fact, some program, some experiment that was going on and carried out in California or Florida or some place like that. That does happen.

And I think, although the Member for Souris-Killarney, the Leader of the Opposition, is trying desperately to stay from doing just what I am saying might happen, it is rather difficult for us in this public forum to exchange our ideas to, as the writer of the article said, go through our three Rs, the third one of which is repetition, without getting into this kind of a debate. I think we should try very hard to avoid it because what is important, as he has said and I have said, and we all recognize I do hope — what is important is the quality of education that is provided in the schools in our province. That educational system, I think, has been a good one. It is still a good one. Indeed, in my discussions with Faculty of Education people, many of whom I knew, they say that the graduates of our school system today are better than they have ever been. Better than they have ever been. That is what is coming out of our schools.

So, for the members opposite to make the kinds of statements that they tend to make sometimes in going through the three Rs and getting to repetition, they try to convey the opposite. It just isn't the case according to many individuals at the Faculty of Education.

By the way, I want the Member for Souris-Killarney to remember that I worked at the university and when I was working there it was when I first met him, in the Queen Elizabeth Hotel at a conference on pollution. It was at that time that I recognized the character of the Member for Souris-Killarney. I recognized it very well because I introduced myself as a young student doing a Masters Degree degree and told him what I was doing, why I was there, the university had sent me there, and he, with all the grace that he could muster, said "Well, isn't that nice" and introduced me to the American Consulate and walked away.

I know the university faculty well and I have spoken to many of them and I suppose it depends on who you talk to, on who you talk to, what kind of information you get. The people I've talked to have said that there are better graduates coming out of the schools now than was ever the case in the past. They know more, they have more ability to express themselves. And I think that the teaching

profession needs to be congratulated for that because they have gone through trying times. Trying times created by politicians trying to score points. I think that we should get away from that kind of a debate. The teachers in this province deserve credit for the good job they are doing. They seldom get that credit and I am willing to give it to them because they deserve it.

One of the reasons that the teacher pupil ratio was reduced was because of the articulate manner in which elementary teachers expressed to me the problems of teaching in elementary schools. I think there was a necessity of the government recognizing the principle of establishing equity between the teachers in the elementary schools and the teachers in the secondary schools.

Mr. Chairman, there are always in a democratic society criticisms of what a government is doing. If that was not the case, our society would not long last as one that is democratic.

I recognize what the members of the opposition have said by way of criticism of the departmental Estimates. I find nothing wrong with what they have said in general. I hope they will hold themselves to sane and rational discussion that has only one objective in mind and that is the improvement in the quality of education in the province of Manitoba for the benefit of the children that are in that system.

MR. CHAIRMAN: Order please. The hour having arrived for Private Members' Hour, I am interrupting the proceedings of the Committee in accordance with our House Rule 19(2) and shall return to the Chair at 8:00 p.m. this evening.

ESTIMATES - AGRICULTURE

MR. CHAIRMAN, Mr. D. James Walding (St. Vital): Order please. We have a quorum gentlemen. The committee will come to order. Refer the attention of honourable members to page 7 in their Estimate Book, Resolution 15 Technical Services, (b) Technical Services Branch (1) Salaries. The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: I was going to ask a question, Mr. Chairman, on rural water services. Are we able to deal with that in this area here or do we wait until we get to the Manitoba Water Services Board?

MR. CHAIRMAN: Resolution 15(b)(1). The Honourable Member for Rock Lake.

MR. EINARSON: For instance, in our Farm Machinery Board operations, I'm wondering have there been many complaints from farmers to the Farm Machinery Board in the past year insofar as, say, defective material in new equipment, that is equipment that is still within warranty?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, we had 110 complaints relating to parts delay, 46 on service, 5 on pricing of parts, 51 on delivery and 25 on warranty, 20 on miscellaneous items. Total of 257.

MR. EINARSON: Well, then, Mr. Chairman, of all those total numbers, were the complaints in regard to warranty service, were they all satisfactory as far as the farmer's concerned when the final results were made through the farm machinery board?

MR. USKIW: Mr. Chairman, I'm advised that it's difficult to answer whether they were all completely satisfied. They were relatively satisfied, in most cases they were completely satisfied but to the extent that the board had authority and power, they were able to improve the position of those complaining.

MR. EINARSON: I would like to ask the Minister if the Minister is aware at all of all the cases handled, if the dealers were being given a difficult time by the machine companies, that is that they dealt with, in regards to trying to solve the warranty matters? The reason I ask that, Mr. Chairman, is that some dealers have indicated to me that, you know, they're not getting the backing of the companies and as a result sometimes they have to have a difficult time, that is the agent or the dealer, to prove that a warranty is called for in some cases.

MR. USKIW: The chairman of the board advises that in all cases relating to warranty that the board follows back all the way to the manufacture level because they look at that as an area of responsibility of the dealer and the manufacturer. So they do not deal exclusively with the dealer on a warranty complaint, but they go all the way back.

MR. CHAIAN: The Honourable Member for Rock Lake.

MR. EINARSON: Thank you, Mr. Chairman, to the Minister for that answer then. I don't know whether sufficient time has gone by say in the past couple of years and of all those complaints going back to the factory then, I'm wondering, does the factory make a change or make an improvement, or see to it that, you know, when they find out what the cause of the problem is, make improvements insofar as their products they're selling, whether it be a tractor, combine or whatever?

MR. USKIW: Well this would better flow, Mr. Chairman, from the machinery institute, that kind of follow-up. Naturally every company who has a number of complaints on a given item, in their own self-interest would want to address itself to that problem; but in terms of re-design or things of that nature, I would expect that the Prairie Machinery Institute is the vehicle through which that would occur.

MR. EINARSON: Well, then, Mr. Chairman, I probably need to refresh my memory. The institute . . . has been set up, made in Manitoba. Now, I'd like to ask again, could this indicate, has the day

been set when that's going to be established here in Manitoba?

MR. USKIW: April of this year, as I understand it. The staff are already in place but I believe the opening is sometime in April of this year.

MR. EINARSON: Then is this institute going to do research on machinery for all companies across Canada or that is, that are manufacturing machinery?

MR. USKIW: We have on staff at the Portage site, one senior engineer, two project engineers, one machinist, one steno, one draftsman, one project engineer, effective May 1, 1977; one electronics technician effective May 1, 1977 and there is a vacant technician position. There were 43 machines evaluated in the period 1976-77. Individual reports on each machine; there were five reports out by March 15th of this year, 20 more drafts complete should be available by April 15, 1977, 18 others are to be available by June 1st. Now, most of those would come out of Humboldt.

Now, I have a list here of projects. If the members wish to go into them, I can go into them.

MR. EINARSON: Yes, you know, Mr. Chairman, I would like to make a few comments first before the Minister, because I think this is a very important subject. I find that the machinery that is being manufactured today is much inferior to what it used to be and we find that new machines . . . there are defective parts to it and I've often asked the machine companies as to where is their research when it comes to bringing out a new tractor or a new seeder or something of that kind, have they done sufficient research before they put it on the market. I think, Mr. Chairman, this is a very important area, I believe it has a very significant effect insofar as the input cost to farmers are concerned because, while maybe there is warranty on defective parts, it nevertheless is a cost to the farmer that he can't get away from. I'm interested to know what we are doing here in Manitoba and in Saskatchewan, where this institute is really going to improve the quality of farm equipment that is being put out by all the major companies?

MR. USKIW: Mr. Chairman, the whole purpose of setting up the Prairie Machinery Institute was to do just that and to assist the industry in developing the proper prototypes before the machines are put on the assembly line system. We have here a list of machines that have been tested and there are some prototypes, I believe, that are just underway at the moment. I can go over those if you wish, Mr. Chairman.

MR. EINARSON: Mr. Chairman, I wouldn't mind if the Minister maybe take half a dozen or so, give some idea. He doesn't have to go over the whole list.

MR. USKIW: Perhaps maybe the best way to expedite would be to distribute a copy of this particular document. That would suffice.

MR. EINARSON: Well, then, Mr. Chairman, I would like to ask. There is a cost involved here and is this cost being attributed or at least charged to the Department of Agriculture, or could the Minister explain how it is being financed and by whom?

MR. USKIW: Well, members will recall a few years ago there was an agreement entered into between the three Prairie provinces on the costing of the institute — the capital cost, I believe and the operational cost. Manitoba's cost is the lowest of the three based on our, I believe it's aggregate production, which is 20 percent of the total. We pay 20 percent of the cost.

MR. EINARSON: And what does that amount to?

MR. USKIW: Yes, the item in this year's Budget is \$466,000 which is an increase of 23.9 thousand over last year.

MR. EINARSON: Mr. Chairman, I'd like to ask, are the major machine companies making any contribution towards this project?

MR. USKIW: There are two approaches, I'm advised, Mr. Chairman. Where there is an evaluation being done the company volunteers the machine. So that's their contribution. Where they're involved in prototype testing they cover the costs of the prototype. The report of course, at that stage, is private.

MR. EINARSON: Thank you, Mr. Chairman. I want to get onto another subject here and this is rural water services, Mr. Chairman, and ask the . . . —(Interjection)— okay, sorry.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON: Mr. Chairman, I was going to cover the same things as the Member from Rock Lake covered, but I was just wondering a little further on there, after these tests are done at Portage and other places do you make it a point to release the results of the test?

MR. USKIW: I'm advised that they will be in ag rep offices but one can subscribe. I believe there's a subscription fee involved for the reports to be mailed to them automatically once they are printed. So it's a matter of how you wish to do it.

MR. HENDERSON: So if a person was interested he would have to go to his ag reps office to be able to get them.

MR. USKIW: Yes, once they're available they should be there.

MR. HENDERSON: Is there going to be any public occasion, like through your news release or anything like that?

MR. USKIW: I am advised that there will be a charge for them — they will not be free — to cover the cost of printing them.

MR. HENDERSON: I see. The other thing is, I saw here you have agriculture and engineering services. Just what are you referring to there?

MR. USKIW: What page are you . . .

MR. HENDERSON: Well you're talking about 15, Page 7, Item 15.

MR. USKIW: Well, of course we do provide technical services to farmers in their sewer and water program and in drainage. We have been doing drainage work, as well as engineering in the building design section of the department, and so on.

MR. HENDERSON: Is that where if you want to get a certain type of a building, you can get the designs from your department.

MR. USKIW: Well they assist in the development of them, yes.

MR. HENDERSON: Oh, I see. So it hasn't anything to do with the agricultural engineering services.

MR. USKIW: Yes, sure. Yes, that's what it is. We have field technicians under sewer and water and drainage and building engineers.

MR. HENDERSON: Is there any charge for any of these? No. There's no charge for them. I think I read that. You can get them at the ag reps.

MR. USKIW: Yes, there is a charge on field drainage, Mr. Chairman.

MR. HENDERSON: Oh, there is?

MR. USKIW: Yes.

MR. HENDERSON: Thank you.

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

MR. A.R.(Pete) ADAM: Thank you, Mr. Chairman. I wanted to make a few comments on the warranty of new machines put out by the different major manufacturers and since I've had about twenty years experience as an implement dealer I suppose I could, perhaps, speak with some degree of experience but my understanding is that the fact that there may be excessive amounts of failure on a particular component does not necessarily mean that it will fall in the category of warranty. And there have been cases, in my experience, where a component has failed but the component, itself, has met the standards of the manufacturer and the engineers. And while the component may have a high frequency of failure it does not necessarily fall as warranty as far as the manufacturer is concerned because it does come up to the specifications and the tensile strength and whatever measure is used by the manufacturer to manufacture a component.

The other point is that my experience also has been that until failure of a certain component reaches around 25 to 30 percent a rate of failure in a given year, in a particular model, they may not do anything about that part, that failure, they may just let it ride but when it starts to get to a point where it's up around 25 percent then they feel that their sales may be injured because of this particular failure and then they may move to strengthen that particular part, to increase its strength.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. MCGREGOR: We didn't follow that part you meant by component.

MR. ADAM: Well, any component of the tractor. It could be a gear. It could be a bearing. You have, for instance in the manufacture of bearings you may be able to get several different bearings with a heavier load capacity which the company, to reduce its costs, may not put the heavier bearing in that particular place. Just to keep their costs down. On many occasions I have taken out bearings from the manufacturer and replaced them with heavier load capacity bearings to reduce these failures.

MR. MCGREGOR: Yes, Mr. Chairman, I'd like to ask the question on these testing stations, say Manitoba, Saskatchewan or Alberta, say a disk coming in now, do they test it at the three places or is one testing one particular machine and Saskatchewan taking on other pieces of equipment and the booklet, then, would come out covering the three stations. Because I certainly remember the books of years gone by that some dealers had real handy and, to me, that was an honourable dealer that carried that even though it did rake over a particular machine that he was selling, show the weak parts, and I'd hope this booklet is of that nature to cover the whole waterfront; you go in and see really what you're buying. And I think of the price in those years — that would be the mid-sixties, I think — Manitoba was asked to join it and didn't and I think the cost, as I recall it in the caucus, about 25,000, and we sure missed a bargain because that indeed would have been much higher now than we were offered back in those mid-sixties.

MR. USKIW: Well, Mr. Chairman, we've gone into this subject in some detail some three years ago. It was indicated then that we would have three components: one at Lethbridge, one at Humboldt, and one at Portage. And that they would not be duplicating the work, they would be designated certain responsibilities. So in essence Saskatchewan is undertaking the research and development of machineries relating to crop production, cereal crop production, heavy equipment. Manitoba's is in the area of forage and special crops and Lethbridge, it has to do with livestock, irrigation and livestock.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Yes, Mr. Chairman. I'd like to ask the Minister where we hit sprays and fertilizers, etc., or do we have to wait on the Minister's salary?

MR. USKIW: It would be under technical services. That's where we are now.

MR. FERGUSON: I'd like to ask the Minister if he can give us any information as to the enforcement of the Federal Act to do with the importation of fertilizers and sprays into Manitoba, what the problem is there?

MR. USKIW: Well, Mr. Chairman, I really can't. I'm not familiar with the federal system in terms of enforcing the laws as it applies to imports of any goods. It's not a proper subject for the estimates of this department.

MR. FERGUSON: Well, Mr. Chairman, I certainly think it is a proper subject because it's going to raise the cost of our fertilizer and our sprays as much as anywhere from 10 to 30 percent and I would think that the Minister would be interested in knowing what is going on.

MR. USKIW: Mr. Chairman, it has nothing to do with fertilizers. The restriction, as I understand it, has to do with certain chemicals which are not registered in Canada. Now the law says you can only distribute registered chemicals in Canada. So until they are registered, obviously there is no legal means of introducing them into the Canadian side.

MR. FERGUSON: Then is the Minister saying that these new regulations are not affecting fertilizer.

MR. USKIW: I'm not aware that they are.

MR. FERGUSON: Okay.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Yes. Just further to the last remark where he said it didn't affect fertilizers: I had thought it was by the news media and I remember seeing it on the news where they had the forklift and there were fertilizer bags and they had 3400 on it, and I just thought possibly that there's no doubt it affects fertilizer. Are you sure that it didn't?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Our understanding is that it does not involve fertilizer.

MR. HENDERSON: So fertilizer can still move back and forth across the line.

MR. USKIW: As far as we're aware, yes.

MR. HENDERSON: Thank you.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Chairman, just to pursue this a little further, there are herbicides that farmers have been able to buy across the line considerably cheaper than in Manitoba, and we are here talking about the cost of inputs to the farmers as it affects Manitobans. I can appreciate this being a federal problem, that it is the responsibility of the Federal Minister in regards to the laws of the country as it affects this particular situation. But do I understand the Minister to say when he talks about herbicides that are not registered in Manitoba, are in the United States and that they are the ones that are being affected?

MR. USKIW: Well, the two different governments have different regulations as they may affect the production, distribution and use of chemicals. So obviously Canada's regulations are somewhat stronger than are the American ones, in some cases at least. So that all we're talking about is whether or not they should have to meet those standards. To meet those standards they would have to go through a registration procedure. That's up to the manufacturers and the distributors to carry out. I don't think that one could support the proposition that notwithstanding those requirements, that we should somehow be involved in inducing a product from another country that does not meet our standards.

MR. EINARSON: So what the Minister in essence is saying then, what is a recommended standard in the United States may not be in Manitoba, then that doesn't necessarily mean that the farmer is going to get a cheaper commodity in the states than what he would here because — are you saying then it may not perform the function that we had hoped it would when you buy it?

MR. USKIW: Well, it may or may not. But the standards very often relate to health and safety and that's a concern of the Government of Canada. In the memorandum that we have from them they indicate that there is a real danger of people getting injured because of the lack of proper application, the instructions that come with it, and so on. That's why they insist on Canadian standards as being the ones that have to be adhered to.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: As a matter of fact, Mr. Chairman, it was my understanding that there was a ban on all herbicides and insecticides coming into Canada, whether they were licensed over here or not.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The release that I have — or copy of the Federal Government's press release — talks about non-registered chemicals. It doesn't talk about registered chemicals, it talks about non-registered chemicals, which were allowed to come in on an individual permit basis providing the

farmers use them on their own premises. But apparently it appears to be a very loose arrangement, and the federal authorities have concluded that it is too dangerous to continue that practice.

MR. BROWN: Well, of course, that puts a different light on the whole thing then. I think that chemicals that are not licensed in Canada and so on, that's an entirely different story. But I think that everybody is under the assumption that there has been a ban on all herbicides and insecticides, no matter whether they were licensed or not. This is not the case then.

MR. USKIW: Well, I can only go by the press statement that I have that talks about the banning of non-registered chemicals.

MR. BROWN: Thank you.

MR. CHAIRMAN: Resolution 15(b)(1)—pass; (b)(2) Other Expenditures—pass; (b)—pass. Resolution 15(c) Canada-Manitoba ARDA Agreement. The Honourable Member for Ste. Rose.

MR. ADAM: Yes. Yesterday I wanted to get some information on how many farmers had availed themselves to the rural water services, and how much subsidy was involved to those participating in the program?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The total number of applications was 3;223. That is under Technical Assistance. I'm sorry, the total is 16,510. This year alone is 3,223.

MR. ADAM: Is that in addition to the 16,000?

MR. USKIW: No, that's part of the 16,000.

MR. ADAM: And the amount involved in subsidy is?

MR. USKIW: For the current year a total of \$216,000 in grants. That's up-to-date, that's up to March 4th for this one year.

MR. ADAM: I wanted to ask a question about the new Special ARDA. Can we talk about this program at this particular section?

MR. USKIW: Yes. Under the RWS program 7,897 farms received \$1,138,764.10 in grants up to the end of March 1976. Then we have 216,000 since that time. So we're up to about a million and a third, almost a million and a half dollars in grants.

MR. ADAM: That's under the new Special ARDA?

MR. USKIW: No, that's under Rural Water Services.

MR. ADAM: Oh, I see. Can we talk about the new Special ARDA agreement on this particular section?

MR. USKIW: Well, that's merely an extension of the existing ARDA Program towards the end of 1978. It's not a new program *per se*. It's an extension of what we have been doing under ARDA.

MR. ADAM: Does it come under this section here?

MR. USKIW: It's this same program.

MR. ADAM: Does it come under this particular (c)(1) Salary? Or does it come under Northlands Agreement?

MR. USKIW: No, ARDA agreement. No, this comes under this heading.

MR. ADAM: Oh, I see. So I wanted to ask, do we have any involvement as far as training assistance on reserves as far as agriculture, under this program?

MR. USKIW: Mr. Chairman, the Member for Ste. Rose is talking about training. This is sewer and water and farm diversification. What we're discussing now is ARDA, so it doesn't come under water and farm diversification.

MR. ADAM: Yes, well this is an ARDA Program that I'm looking at there, but it may not come under this heading.

MR. USKIW: Oh, yes. What the Member for Ste. Rose is talking about should have been discussed under Farm Management. That's some piece back in the Estimates, Mr. Chairman.

MR. ADAM: Okay then, maybe I can ask under the Minister's Salary.

MR. USKIW: Yes.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I want to ask just for a point of clarification. Rural towns would come under this or would it come under Manitoba Water Services Board?

MR. USKIW: The Water Services Board.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I wonder just for purposes of some of us that aren't quite that familiar and up-to-date with the details of the program that provides assistance in terms of water services under this program. My understanding of it is that it helps in the actual purchase of material through the department's services, but as well will pay partial costs of installation as done by a private contractor on that farm if the necessary bills have been presented to the department. Does all this work have to be pre-examined or pre-approved before any assistance is capable or in the event this work is being done applications can be accepted? And can a departmental official on the basis of his own knowledge then inspect the work and so qualify that person for this assistance? Could the

Minister also indicate — just again excuse my ignorance — the actual scale of the program, the grants are available how, 50 percent of what, to what maximums or what minimums? Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, the program provides for technical assistance initially, and hopefully that's the way most of the applications would proceed; where the technician goes out and takes a look at the proposal, makes his recommendations and from that point on the application proceeds, but not necessarily. That is the hope for way in which it would happen.

Additional to that, of course, is the opportunity to purchase, in bulk, materials from the branch at a discount, or at least it's at a saving to the purchaser. And against the total project, of course, is an eligibility grant of \$300.00 or up to 15 percent, up to \$300.00. Now not in every instance is that procedure followed. There are instances where people install their own systems, submit bills, the department either approves or rejects, but I'm not aware of any rejections.

MR. ENNS: I imagine you have some kind of a cut-off time or period? For instance somebody that has done this in the last two or three months or six months, how tight are you on your scheduling?

MR. USKIW: Well, the important thing is to have the application in before the program is discontinued.

MR. ENNS: Thank you, Mr. Chairman. One further question on this subject matter while the Minister chooses to enlighten me. The federal program of assistance in terms of well construction and indeed dug-outs is still operative in the province, is it not?

MR. USKIW: Yes.

MR. ENNS: Has the Minister got any figures as to — I know it is not within his jurisdiction — is that program being utilized to a fair extent just in a general way? Can the Minister indicate?

MR. USKIW: We have no statistics on it, Mr. Chairman.

MR. ENNS: Thank you.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I would like to pursue a little further and ask the Minister: For instance last year was a very dry season and many farmers found themselves short of water both from wells and from dig-outs. I understand you can hire equipment, or the department provides equipment, for pumping water from one source say, to fill a dig-out. What's the maximum distance that that equipment is set up to pump water? Can the Minister indicate that?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The average is about a mile, but we have had instances where we went up to three miles, putting additional pumps in the system. They've gone up to three miles in certain cases.

MR. EINARSON: In other words what you are saying is, that the maximum distance is about a mile for one pump.

MR. USKIW: Yes.

MR. EINARSON: But you say you have to have a booster along the way if it's to go three miles.

MR. USKIW: If they go three miles that's right.

MR. EINARSON: I see.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, in connection with the help with wells and plumbing fixtures and that: I imagine you get quite a bit of applications for people that have dug wells, but do you really get a great deal from the people to buy appliances and say, piping and tubing from you, and that sort of thing?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The sales are about three-quarters of a million per year of materials in this program.

MR. HENDERSON: Do you think that represents a fair amount of what's done?

MR. USKIW: It's a very high percentage we think, of the total, yes.

MR. HENDERSON: What I hear as a rural person is, if you don't buy the supplies from the fellow who is going to do it you're not very likely to be able to get him that summer because he's got a lot of work to do anyway. So I think an awful lot of people are really still using the local fellow because he'll do it if he's selling the supplies and he won't otherwise. I don't think we've got that many plumbers in areas and there's no choice.

MR. USKIW: I'm advised that in many instances contractors prefer this arrangement in that they don't want to get involved in supplying the materials. They would sooner do the work period, and not get involved in the supply of material.

MR. HENDERSON: Do you mean to say that a fellow that is going to put in a cribbing in a well and pipe it into the house or sell the septic tank, don't want to sell the septic tank?

MR. USKIW: In many instances they prefer only to provide the backhoe services and things of that nature. It's a very common arrangement.

MR. HENDERSON: It sure seems odd to me, because they lose their commission on the sale of a septic tank. I sure find it hard to believe.

MR. USKIW: The Chairman advises me that that is preferred because they want to concentrate on keeping their equipment operating as much of the time as possible. That is a number one priority, is to make sure that their backhoes are working every day and so on. Now, it works both ways, but this is a very common approach.

MR. CHAIRMAN: Resolution 15(c)(1)—pass; (c)(2) Other Expenditures—pass; (c)—pass. Resolution 15 - Resolved that there be granted to Her Majesty a sum not exceeding \$1,475,500 for Agriculture—pass.

Resolution 16 - Community Improvement (a) Regional Division (1) Salaries. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I'd like to deal with this particular section and it pertains to our district agricultural offices. First of all I would like to ask the Minister, how many do we have in the Province of Manitoba right now?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Forty-three I'm advised, Mr. Chairman.

MR. EINARSON: Forty-three. Could the Minister indicate how many people are employed in the forty-three districts?

MR. USKIW: I have a correction. I'm advised it is forty. Mr. Chairman, I'm wondering whether the Member for Rock Lake wants to know how many ag reps there are or how many total regional staff there are.

MR. EINARSON: Yes. Mr. Chairman, is there an ag rep in every one of them? Also, what is the total number of people employed in each one?

MR. USKIW: The total figure in all district offices is 72 staff. Under this whole package we have 95.8 staff-man-years.

MR. EINARSON: Mr. Chairman, 95.8 staff-man-years?

MR. USKIW: Yes.

MR. EINARSON: Well, can you break that down? What I want to know is, how many ag reps, are there 40 ag reps in the province and how many people are employed at each agricultural office? That's really what I want.

MR. USKIW: Mr. Chairman, all of the ag rep positions don't come under this heading, some of them do. I'm advised that the ag reps are covered in a number of areas: farm management, livestock production, crop production. These are support staff in each of those regions.

MR. EINARSON: Mr. Chairman, I tried to follow the reading of each heading such as Community Improvements here and District Agricultural Offices I just assumed would pertain to the agricultural representative and the number of people that are employed in that particular office. He says there are 40 of them scattered throughout the province.

MR. USKIW: But they're under different headings than these.

MR. EINARSON: How can we determine then . . . I would like to know just what are the total number of people that are employed, in say the 40 agricultural offices today? I want to make the comparison and I'll pursue that a little further if I could get those figures.

MR. USKIW: Mr. Chairman, we don't have a breakdown of it in that way; we have regional breakdowns but not office breakdowns. As the member is aware, we regionalized the delivery system some four or five years ago and all of our bookkeeping is done on a regional basis and program basis, but not on an office location basis.

MR. EINARSON: Well, then, Mr. Chairman, I understand the province is divided up into five regions?

MR. USKIW: Yes.

MR. EINARSON: Then could the Minister indicate the number of people employed, the total number of people employed in each region?

MR. USKIW: We'll have to dig that information up. We have it but we'll have to get it, it's not here. There's between 40 and 50 per region, five regions.

In terms of the ag reps, we have 60 percent of them under Farm Management, in our Estimates; 20 percent are under Crops; and 20 percent under Livestock.

MR. EINARSON: Mr. Chairman, if the Minister is indicating there is approximately 250 people employed in the five regions at the present time — (Interjection)— I wonder, could he tell us what that number would be say in 1970, if he could find that out? That's the comparison I wanted.

MR. USKIW: It's the kind of thing, Mr. Chairman, that you would normally get through an order for return although we can attempt to get it for him. It's a matter of researching the files.

MR. EINARSON: That's fine then, Mr. Chairman, I appreciate that. I could do that through the . . .

MR. CHAIRMAN: The Honourable Member for Virden.

MR. MCGREGOR: Mr. Chairman, I would like to clear up this: In a region like Virden where we used to have an Ag Rep, now he is called a Farm Adviser. Now, is the Minister indeed classifying that Farm Adviser as an ag rep as *per se*. We used to have an ag rep in Virden, today we haven't, we've got what is known as a Farm Adviser. Is this indeed . . .

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MR. USKIW: I'm advised that there's a vacancy there that's going to be filled fairly soon.

MR. MCGREGOR: All right, that's sort of answered. I know there is a Farm Adviser there and my question, is that what the Minister was calling an ag rep and he's answered that.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, dealing with the Extension Service, at this moment I would like to beg the committee's indulgence to take a moment to recognize the services of one Harold Ross who has just recently retired from the Branch. As my Ag Rep for many years, he is fondly remembered. Mr. Harold Ross was one of the senior ag reps in the Province of Manitoba serving the Rockwood, Teulon, Stonewall area. I have very many fond memories of the counselling and services that the farmers in the area mentioned, largely within my constituency as well as the neighbouring constituency of Gimli, that he has provided over the many years.

Mr. Ross was a very independent kind of a person. He used to pride himself in the knowledge that he at one time or other had under his tutorship two Ministers of Agriculture in this province, namely my predecessor, Mr. George Hutton who farmed at Rosser and who I'm told also very often frequented the offices of Harold Ross at Stonewall, and then latterly of course myself when he helped me, or attempted to help me in my fledgling operations at Woodlands.

So, Mr. Chairman, with your indulgence I take this opportunity to acknowledge, I think on behalf of all the committee members and indeed the Department of Agriculture, the many, many years of services that Mr. Harold Ross has provided the people of Manitoba, through his work as an Agricultural Extension Officer for the Department of Agriculture.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I want to thank the Member for Lakeside for making those very appropriate comments insofar as his ag rep is concerned and I want to say I think I, I'm sure made.

Further to that, Mr. Chairman, I think that possibly in recent days and weeks, and I want to make a comment here insofar as our ag reps are concerned, I think it's the appropriate time to do it, I don't think we have utilized our ag reps to the extent that we could and rather, I think that there seemed to be, to me a concern or a fear that they are going to be political tools within the department. You know, Mr. Chairman, I do know that insofar as this information getting out to the farmers when we were talking about whether or not farmers wanted a Beef Marketing Board, the services of the ag rep was made available in the initial stages, then all of a sudden a directive came out from the Minister's office saying that the services . . .

MR. CHAIRMAN: The Honourable Minister on a point of order.

MR. USKIW: Mr. Chairman, the point of order is that we had discussed that item under Marketing Boards and I don't believe that there is any point in repetition. I don't know what it is the Member for Rock Lake wants to suggest, but we have covered that ground under another item.

MR. CHAIRMAN: Order please. I am interrupting the proceedings in accordance with our Rule 19(2) for Private Members' Hour, to return to the Chair at 8:00 p.m.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: The first item Tuesday is Private Bills. Bill No. 9.

MR. PAULLEY: Stand, Mr. Speaker. (Agreed)

MR. SPEAKER: Bill No. 17, the Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Stand, Mr. Speaker. (Agreed)

RESOLUTION NO. 5

MR. SPEAKER: Private Member's Resolution No. 5, the question is open at this time. The Honourable Minister of Finance.

MR. MILLER: Mr. Speaker, I would like to make some comments on this. The resolution calls for a Department of Housing and frankly I don't understand why this resolution is being put forward in the way it is. The suggestion is that somehow, because we lack a Department of Housing, because we chose instead to use an instrument which is common across Canada and other jurisdictions as well, of setting up a housing corporation — in the case of Manitoba, the Manitoba Housing Renewal Corporation — that somehow that isn't adequate. The results, according to the Member for Assiniboia, have been that terrible things have occurred.

Well, the fact of the matter is that there is nothing that a Department of Housing can do that isn't already being done under MHRC. The Act that was created in 1967, I believe it was, had a great deal of latitude in it and therefore could lend itself to various forms of assistance in the housing field. Keeping in mind, of course, that their mandate was basically, originally and still is, to meet the needs of those people who cannot normally — irrespective of what the economic conditions are — cannot normally find adequate shelter. And there has always been that element in our society. I recall back in 1967 when the bill was first introduced the former Minister at that time, in introducing the bill, indicated that even back in 1967 when we weren't faced with the kind of housing costs that we are

today, that there were a great number of people, both families and elderly, who didn't have the funds and the means to provide themselves with adequate housing. It was for that purpose that MHRC was brought into being. It was being coupled as well with funds that were going to be made available from the Federal Government.

Unfortunately, the former administration didn't really follow through on it. The Act was there but because they insisted that municipalities had to participate, both in the capital and in the operating subsidy, it was inevitable that the response from the municipalities would be somewhat less than enthusiastic. When we took office we found that the needs had not been met. In fact the problem was so great that the surface hadn't even been scratched. As a result we moved away from that particular requirement and proceeded to give MHRC the mandate to build housing for those without adequate means, to provide them with the kind of shelter they needed.

In this debate there has been the suggestion that this government is opposed to private ownership of homes which is nonsense. It has been suggested that the program should be changed in such a way that, in fact, people should own their own home. The suggestion being, of course, that this government is averse of that. Well that, of course, is absolute nonsense. What has to be recognized is that certainly since 1973 there has been a great pressure right across the country, right across North America for that matter, including Europe, on housing. Insofar as costs are concerned, costs have gone totally out of anyone's imagination of what it might have been had they projected ahead back in 1970 or 1971.

As a matter of fact, I recall in the early part of 1973 where there was a criticism that in fact MHRC had overbuilt, had made too much accommodation available and it was affecting the private sector. Now, of course, the criticism is there isn't enough, why aren't you doing more.

But the purpose of MHRC, as I said, was to make available to people without means adequate shelter. If — and we had started this originally back in 1970, to make some of the homes available for a sale but as the demand developed, as less and less people could qualify to build homes under normal NHA, the National Housing Act requirements, more and more people qualified to live in subsidized housing, particularly the elderly who really were hit hard and hit hard by the increase in costs. So the emphasis was towards low cost rental housing and it will continue until such time as that need is met and other needs can be then addressed.

But in that regard, even there, MHRC has not stood by passively. When moneys became available in November of 1973 by the Federal Government for land acquisition, land banking, Manitoba immediately entered that program and did, as well, through 1974. Admittedly that land, of course, is not for immediate use because you cannot build homes — it is very well to talk about hundreds and hundreds of acres when in fact there are no roads, there are no sewers, there is no water and therefore you cannot build. My regret, frankly, is that this program was not available and not utilized back in the 60s. I have always taken the position that land in the long run is an investment on which you cannot lose. The Crown cannot lose on the acquisition of land. Land doesn't rot, it will stay there and when the time comes it can be put on the market. Had land been acquired back in the 60s then, of course, we would have been that much closer to services and be able to put lots on the market.

But to suggest that there is a shortage of lots today because MHRC didn't do something or other, or did do something or other, is nonsense. The fact of the matter is that there never has been a shortage of lots and the City of Winnipeg, I believe, has already indicated that, both recently and even last year. However, it is owned by private builders who would prefer — and this is common across the country — who would much rather build one \$50,000 home and sell it than build two \$25,000 homes. They make as much money on it and they make even more money on it, the volume is there at the end of the year in any case. So this is the choice they have made.

We also have to appreciate the suggestion that somehow small builders were eliminated and that somehow this is the fault of MHRC or this government. That also is nonsense because the same is occurring in most jurisdictions, particularly in the larger urban metropolitan areas. This is a simple matter of economics in the house building industry. In the fifties there were a great number of small builders, each one putting up 20 units, 30 units, 40 units, and as the larger builders got into the picture, as the developers got into the picture where they could put forward an entire package, the servicing of the land, the construction on a mass scale, prefabricating in many instances components of the home, the mass buying which gave them better prices, they were able and did in the sixties, not the seventies, in the sixties they were already eliminating the small builder, they were out. If they did exist, they existed only because the land developers agreed or concurred in allowing a certain number of lots to be used by someone else other than their own building arm.

So, Mr. Speaker, to suggest that somehow all of this could have been avoided if there had been a Department of Housing, is to fly in the face of facts and the experience elsewhere. Some provinces do have Departments of Housing and those provinces have the same problems as we have. Those problems started in 1974 and, of course, are with us to this day.

MHRC land that was acquired will be coming on stream and when it comes on stream it will be made available through the Leaf Rapids Corporation, an arm of government, an agency of

government, or by MHRC themselves. Some of it will be used for public housing but the vast majority of it will be used to make land available, serviced land, buildable lots, at prices that have a resemblance to the cost and simply are not a reflection of market value. When that day occurs, hopefully it may have an effect on the private sector although I am not kidding myself. I don't for a moment believe that because MHRC may be able to put three, four, five hundred lots on the market, that this is going to force the large developers of which there are four in Winnipeg, to suddenly lower their price. These are large developers, they have the staying power, they are not going to panic easily. If they have to pull in their horns for one year they will do it. They have had some very good years and they can coast if they have to. But it will make a difference, I think, in the long run that MHRC has actively gone into land assembly and perhaps it won't be felt immediately but it will be felt this year, next year and even more in the years to come and so the benefit will accrue down the line. As I say, my only regret is that it didn't happen earlier. The suggestion is that there are programs and there's no rationale between the programs and that somehow more could be done under a Department of Housing. Frankly, unless the Member for Assiniboia doesn't know this, but MHRC is involved, together with CMHC in a very substantial rural Native housing program where the province picks up 25 percent, the Federal Government 75 percent of the cost. We're involved, the province participates in this, in the Neighborhood Improvement Programs of which I think there are now four in Winnipeg and these are important ones because they zero in on certain parts of the City which are designated by the local council where they feel that there has to be an upgrading of the homes and the services within an area and those are designated. The province participates not only by simply agreeing, as in the case of Alberta where they simply concurred because it requires provincial concurrence, concurring in the program taking place in some cities in Alberta but with no provincial dollar participation. Manitoba didn't take that route, we are participating with dollars. The Critical Home Repair Program which I don't think anybody — I haven't heard any criticisms of it — which has been welcomed by the public, which has been welcomed by people participating and which makes it possible for people's houses to be upgraded and to have their life extended by another fifteen years and that's important in a long term.

We've participated in the Assisted Home Ownership Program, all through MHRC. The suggestion that somehow the MHRC and this government have only one approach to things, they only do things in one way, that's nonsense. The fact of the matter is that through MHRC, which can and did and has the authority under the Act to operate as a limited corporation in 1975, when moneys were available through CMHC as a limited corporation, they built a number of units, a number of projects. As well they are participating with the private sector where housing or apartment blocks are built under the assisted rental program with a lower interest rate, a special interest rate, I think it's eight percent, up to 25 percent of the units in that project can be rented through MHRC and the people, if they require a subsidy, can receive it. So that it's not just a matter of MHRC owned facilities in which this program is taking place, but as well in facilities owned by the private sector or by non-profit corporations, organizations, associations, etc. So that to suggest that the program is not flexible is incorrect, as I have indicated. It is very flexible and MHRC has been able to get into a number of programs and they have the flexibility to do it without having to have a department of housing, which has been suggested as the only way it can be done.

The question was asked, what is the housing policy of the province? What is the housing policy of the city? I can't speak for the housing policy of the city and I wouldn't deign to but the policy of the province is very very clear. To make possible, within the means available, within the moneys available, adequate housing both for rent and where possible for people to purchase. In the case of the rural Native housing program, these homes are not rented they are sold, but they are sold at a price which is determined by the income so that the monthly and the annual mortgage payments are geared to income and that's the program. In the case of building lots for housing, as these lands are serviced and I'm hoping that 1977 will see a start in the south St. Boniface area, I'm not sure whether construction can start this year but certainly the services can start going in this year. There's 200 acres, I believe it is somewhere in northwest Winnipeg, I'm not sure of the exact location, I forget where it is; in west Selkirk as well, these lands will be serviced and as they are serviced they can be put on the market. As I say, I don't want to delude anyone to thinking that suddenly this is going to make a dramatic drop or create a dramatic drop in the price of housing because we're dealing with the land component and I've always predicted that the difference it will make is perhaps somewhere between \$3,000 and \$5,000 and if you're talking about a \$40,000 home it's meaningful but if anyone thinks they can come down to where we were ten years ago, it just isn't so because the cost of the house is up, material, labour, the cost of the servicing of the land and, you know, you can't entirely blame municipalities for insisting that the standards be fairly high for paving or sidewalks, for underground lighting — that's the street lighting — for the sewer and water where they want certain standards. At one time in Winnipeg it was common to have the combined sanitary and storm sewer, that's just not permitted today and there has to be a separate storm sewer and a separate sanitary sewer.

All of these factors are taken into account and, as I say, I can't be too critical of the municipal

councils when they say it's all very well to talk about building homes at the cheapest possible price, to be selling at the cheapest possible price, but we don't want to inherit the higher cost and the headaches after the developer is through. He builds the homes, he sells them, he walks away. The municipality and the community that is left then has to consider what the cost is thereafter of maintaining and servicing these new homes. So there's that, I wouldn't say conflict, but certainly a somewhat different perception of what is needed by a developer who wants to get in, sell his house and get out and the community which then has to live with the results of that for decades and I have some knowledge of it because I was involved in a municipality where we had these kind of headaches and as we realized what they were, we became tougher and more stringent in our demands on developers and we insisted on certain things that we didn't insist on even three years earlier, although it did mean that it did end up in higher cost of homes. So when you talk in terms of what is the housing policy of the City of Winnipeg, I can't answer for it and I don't intend to.

As far as the housing policy of the province is concerned, we will continue as we have to provide adequate shelter for people, to try to get them out of inadequate shelter as fast as we can. We haven't met all the needs, but I don't know any jurisdiction that has met all the needs. We will try to make available, when these lots become available, serviced building lots, residential lots so that people can buy them at a cost to them which reflects the actual cost of the creation of that lot and not just the market value and, in my opinion, MHRC has indeed shown that it can do the job. For the world of me, I just can't see why a department of housing is necessary and can outdo what is already being done. As a matter of fact, I think that perhaps having a board address itself to housing problems only, of people who acquire knowledge, come in with knowledge and add to that knowledge by being members of the board, addressing themselves to particular problems, can contribute a great deal and have contributed over the years a great deal to the development of MHRC.

Now we know that there is something like 12,000 units which MHRC has built. I don't know now how many hundreds, or perhaps thousands of units are, because I've lost track of that, are now being rented in the private sector but I know there are many of them and more are coming on stream all the time as these projects come into being. So that MHRC has not only not backed away it has sought out new methods, new approaches, new techniques to meet what I agree is a necessity but what we're getting tangled up in is this whole question of the rapid rise and the escalation in the cost of housing and of course that is a problem. When I read that no more than 25 percent of people can afford new housing because the cost today is such and the interest rates are so high that the monthly payments they have to pay, principal and interest, simply exclude them even though they may be earning what five years ago would have been considered an average or an adequate salary. So today they are foreclosed and that, of course, is a concern. I'm hoping that a drop in interest rates is occurring, some of that may ease. I'm hoping that some lands become available and the building lot is a little less, maybe \$2,000, \$3,000, \$4,000 less, it will also help to reduce the cost of that house.

But in the final analysis we have to recognize there always will be people who cannot afford to buy homes and that problem has to be addressed. Those people have nowhere to go and no one to look to except an arm of government which, in this case is MHRC, to provide them with decent, warm sheltered accommodation where they can at least live in some comfort and try to get out of the kind of slums which otherwise they'd be doomed to live in forever. Now I'll hear of course about the fact that we still have many slums. I can only suggest that if we hadn't entered the program that we have and, standing here in 1977, the slum conditions that people live in in Winnipeg, would be far worse than I would even want to consider and I'm very grateful that at least in 1969 and '70 we had the foresight to launch a program which has made life a lot easier for thousands of people which otherwise would have been denied that.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, just a few words on this resolution. The contents of the resolution are important, things that are mentioned in the resolution, but what's at question is the question of whether there should be a separate department of housing or not and that's the one that causes some difficulty, not the question of whether the government should have some sort of involvement in the different aspects that either provide housing or set the stage for the provision of housing by the individuals that ultimately want to own the housing or, by the private sector that may wish to build them. I'd say, Mr. Speaker, that we're looking with a great deal of interest to the outcome of the Bellan Commission Report that's now studying all aspects of housing in Winnipeg and there has been representation to that commission that I think will lead to Dr. Bellan's provision of some very worthwhile information.

It seems that there is probably three roles that the government has, probably four, in housing and first, I guess, is in land, land assembly, land ownership. Second would be I suppose in codes that are established. The codes are becoming much more important now with the adoption of the National Building Code in Manitoba and the alterations to the National Building Code that are now leading up to Manitoba's own code and then house construction directly by the government and then, finally, home ownership which the government has presently some involvement in. The resolution at hand

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suggests here Housing Loan Fund, which could be an important contribution of government to the total picture of provision of housing. We tend to support the idea of private ownership of housing.

I was interested this morning in the hearings in the Public Utilities Committee to hear the First Minister quizzing the chairman of Hydro about a study that had been done by the National Research Council that found that if you took an identical apartment building, one with one meter and the other with a meter for each suite, where the tenant paid his own power bill, that lo and behold they discovered that the total power consumption in that, that had the meter in each separate apartment, used something like 30 percent less power consumption. Mr. Speaker, I couldn't help but think that if the government would listen a little more to that sort of evidence, they probably should come to the conclusion that it doesn't only apply to power consumption but it applies to the general attention which a person applies to his own property, the same way as he applies it to his own hydro bill he applies it to his own property. That's why we've taken the position basically that we've taken on public ownership of farm lands, we take basically the same position on public ownership of housing and we say that where possible, every possible effort should be made to provide for private ownership of homes as well. Now this isn't the position generally that this government takes and if they would again, as I say, apply the same sort of interest to acknowledging that people will watch their own consumption of energy if it's on their own meter, they'll do the same thing in the maintenance of their own homes. I would suggest that the Minister in charge of the Manitoba Housing and Renewal Corporation, who operates I don't know how many single family dwellings in the province — I find that the state of many of these homes are pretty shocking in terms of the condition that they have gone to in a very short period of time. These are single family detached homes. Now, Mr. Chairman, I don't know what they come under, whether they come under the Minister directly or whether they come under the CMHC or who they come under, but you can spot them a mile away when you drive by them and the Member for La Verendrye has brought this in as a matter of concern to the House before. I think all it does is lend credence to the argument that private ownership will bring about a better level of care and attention to the home.

Now, apart from that argument, I would like to see the government give more attention to the encouragement of home development by the individual. I think that they might well look in their land assembly now that they have 'acquired the land, to not just selling the lots but going into a leasehold contract. This has worked out pretty favorably and there is some stigma attached to it yet in Canada, not so much so in the United States where people can actually lease the lot and can build their own home. I can refer the Minister to publications and I would refer him to perhaps about the November issue of House and Home which had a fairly significant spread on some of the projects that are being done on leasehold land in the United States. They're bringing housing in at \$20.00 a square foot in the United States simply because they have not got too hung up on the codes, they have allowed some flexibility in the codes, Mr. Speaker, not that it reduces the quality of the house in any way, shape or form. If you take an objective look at it, all it does is break loose the wrangle of codes that somehow you people seem to get locked into over a period of time and accept as being the ultimate word but are only there because they haven't been looked at. Mr. Speaker, they are doing things in housing in the States in particular because they have more flexibility in their codes, they have also more flexibility in the provision of leasehold land that started out as private land but became leasehold because they acknowledged, through government regulations, trust agreements that would allow things like a 50 year amortization of the land and ultimate going into a government protected trust that allowed the lower price for the land. Good building lots in cities are being let out at \$50 a month for the life and at the end ultimately it does become part of the home owner's property, it becomes fee simple land.

Well, Mr. Speaker, it is private ownership because there they recognize that if the land is tied up and the building is on it, the land is as good as private ownership. Therefore, the principal thing is that the house itself, the building on it, be the part that is privately owned. You can't hurt the land; you can hurt the building and under private ownership, you tend to protect the building. But the principal thing is that housing is being brought in in the order of \$20 a square foot whereas in Manitoba, we're talking \$40 a square foot for housing, to buy a house on a normal lot, somewhere in that order — double the cost. That's why we've got a problem in housing.

All I'm saying, Mr. Speaker, is that there are some fresh things that can be done in housing that will encourage the development of private ownership. Now we can't all own our own places but in Ontario, for instance, the Home Ownership Made Easy program that was introduced there years ago encouraged the development of condominium ownership. Well, Mr. Speaker, there are pros and cons to condominiums but basically the pros far outweigh the liabilities of condominium ownership. The problems that we've gotten into are in the larger, very much larger buildings, 200 and 300 unit type buildings but basically what it has allowed is the people to at least plug into the inflationary spiral so that they can keep up with the change in the property value so that if they do ever have to move into another location as we do have to do in our society nowadays, at least they can move from one

location to another and although the escalations in prices are not the same in all cities, in all locations, in towns and so on, there is at least some relationship and they can protect their capital as they go along.

Well, this then brings us down to the question of whether a Department of Housing can actually facilitate many of these things better and I think that if you look at it in relation to — you create a department because it's more important than some other function in government, you can build a rationalization for it. For instance, there's probably more reason for a Department of Housing than there is for a Department of Corrections or a ministry to service it. I think one could make that, that if you looked at the total needs of society, you'd have to say that in terms of attention of a government, a ministry is more appropriate in housing than it would be in that area. But on the other hand, is the Department for Housing more important than many of the other things that have to be done? Is, for instance, a Department for Housing more important than a Department for Energy? There's lots of things that have to be done for the supply and assurance of future energy supplies in Manitoba where we have no department nor is the name even recognized in a department, whereas we at least have a Manitoba Housing and Renewal Corporation that has a specified function in a department. On those grounds, I think you would have to say it isn't. But the real crunch of it is: Is another department of government justified in the overall picture because it would do something that it can't now do? The answer would have to be, "No" and I personally don't think that in terms of the cost of setting up a department as has been elaborated on by the Member for Sturgeon Creek when he spoke on this resolution last, I don't think that we can support the idea of it being a department per se for that reason; that reason and only that reason, we can't support the motion because the principal part of the motion is the creation of a department.

The items in it, fine, we can support the thrust that leads to that conclusion but the creation of a department, we don't find that it answers the problems that exist in the housing business today and for that reason alone, as I say, we can't support the motion as it stands. So we're not even going to attempt to amend it into appropriate form, Mr. Speaker, we're not going to try to amend it into oblivion either because it's got important items in it which I don't wish to downgrade. It's just a question of whether another government department — when we have 17 ministers across the way which started out when they took over this government as being something like 12 or 11 — do we create an 18th department; we say, "No."

MR. SPEAKER: Are you ready for the question? The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I hadn't intended to speak on this today, I'm still getting myself together but I would think that there are a number of statements that were made that deserve some correction if not qualification.

The issue that is posed in this Resolution is the one of whether there is a requirement to reorganize the ways in which the provincial government delivers a housing program in the Province of Manitoba. The Minister of Urban Affairs, the Minister of Finance seems to be complacent about the present structure and assumes that all that could possibly be done is being done now with the best of intention and nothing more can be done. The Member for Riel suggests that, well he sees a number of things that have to be done; he's not so sure another department would succeed in doing it.

Let me just point out some facts, Mr. Speaker. It seems the Minister of Urban Affairs wanted us to face facts; well let's face some facts. Let's face the fact that last year outside the perimeter area of Winnipeg, something close to between 600 and 800 acres of prime rural land was taken in for speculative purposes and the cost increased at a cost of 25-30 percent within a six month period with no one doing anything about it. The Planning Act was not implemented; there's been no action taken; no initiative and yet all that land is now being held for development purposes with absolutely no initiative being taken.

Let's take a look at another fact, Mr. Speaker. That the vacancy rate in apartment dwellings in the City of Winnipeg is presently one percent or less . . .

A MEMBER: Zero in the \$200 bracket.

MR. AXWORTHY: . . . and certainly almost — my colleague the Member for Assiniboia points out that for certain income groups, those whose income would only allow them to pay rents in the range of \$175 to \$225, the vacancy rate is almost zero.

Let's point out another fact, Mr. Speaker, and that is that presently at this moment in time, it is virtually impossible for the owner of any older rental property in the City of Winnipeg to get any financial assistance whatsoever for upgrading property. As a result, estimates of close to 1500 units are subject to demolition every year which totally destroys or eliminates any advantages that the public housing program gains. That's a fact.

Let's look at another fact, Mr. Speaker, and that is that in the area of providing housing incentives that there is still a large number of people who will not be supplied through the public housing or social housing program simply for reasons of cost. It's now estimated that an MHRC housing unit costs in the range of \$30,000 or better in terms of capital for a family unit and averages about \$200 a month subsidy rate. It's simply impossible, virtually impossible, to supply the full range of housing

needs to the introduction of new housing on a social scale. That's a fact as well.

So Mr. Speaker, what I'm pointing out is that the province still faces serious predicaments in the field of housing for which there are no answers being supplied at the present moment. There are reasons why there are no answers being supplied and part of the reason is because the provincial government is not organized to supply those answers. What's interesting I found, Mr. Speaker, is that MHRC had a big chunk of land up in Selkirk, Manitoba that they were going to develop into housing units. All of a sudden there appears on the scene something called the Leaf Rapids Development Corporation, another agency which is now in the housing business in the Province of Manitoba. We have two development corporations now presumably doing the same thing, Leaf Rapids acting as an agent for MHRC. The only problem is that Leaf Rapids doesn't know what MHRC is doing. So here is a question where you have two agencies in the same government both involved in trying to provide housing on a single site and one doesn't know what the other one is doing. — (Interjection)— Well, if it is, then you guys talk to your officials because they don't have the information one to the other. The fact of the matter is that you have two agencies working in total contradiction to one another — not contradiction, certainly without proper information flowing back and forth. Furthermore, when you take a look at what other agencies that should be involved in planning an important project like that, Municipal Affairs, Highways and so on, none of that co-ordination is taking place. No estimating exactly where the people are going to come from to live in those units, what roads are they going to travel on, what additional costs are there going to be for servicing in that community, none of those basic fundamental assessments have been done in relation to that project.

In fact, Mr. Speaker, you know something, right now there is no one in the provincial government in Manitoba that can tell you in any accurate way how many housing units, at what price, for what kinds of people, are required in the Province of Manitoba next year. If our housing program is so darn good, don't you think it would be a primary requirement that we have some target as to what we're aiming at? Well we don't know because when the enquiry is raised as to how many units for families at this kind of income level, in which parts and which locations of the City of Winnipeg should it be built, it's impossible to get answers. And yet, until you get an answer to that question, you have no way of providing for a proper allocation of investments.

Let me deal with a position put forward by the Minister of Urban Affairs which I thought actually was kind of humorous. He's generally not a funny man but in this case it was humorous. He said, "Look at what a great job MHRC has done in land assembly projects." The fact of the matter is that within the perimeter area of Winnipeg, within the area covered by the Winnipeg Development Plan, close to 80 percent of the land purchased by MHRC is outside those areas that were zoned by the City of Winnipeg as available for development. And it was most of the land that was acquired and purchased and the capital spent, was purchased and allocated in areas which if anyone had bothered to read the development plan would know was not zoned for development because there was no services set for them. So any attempt to say that the Land Assembly Program was designed to reduce housing costs, is that someone at MHRC wasn't reading the development plan.

A MEMBER: Long term.

MR. AXWORTHY: Well, long term. As someone once said, in the long term we'll all be dead. A proper reading of the housing market in Manitoba would show that as the demographics change, the housing demand eases off in the mid-1980s, at exactly the point in time when MHRC land is scheduled to come onstream. Most economists say that the demand and supply curve should intersect. We are developing a brand new theory in Manitoba, and that is that they should diverge at some point in time, and that's exactly what is going to happen. So it means simply that MHRC without granting any parcel of land that they could, at any price they could get, without any relationship to planning, zoning, development practices, insertion of capital services or facilities, it was just simply a kind of a — pretty much an *ad hoc* approach. Which comes back, Mr. Speaker, to the fundamental purpose behind this resolution, and that is that the Province of Manitoba presently fragments its approach to housing. That it is not, as the Member for Riel states or the Minister for Urban Affairs states, a simple matter of building housing and buying land.

The housing market is a complicated business that involves finance, involves planning, involves labour supply, involves construction material, involves insertion of social housing, involves the acquisition of land and its investment, involves trying to co-ordinate private and public activity, involves trying to provide incentives to third sector non-profit co-op groups. In other words, Mr. Speaker, it is one of the most complicated areas of public private relationships that we have, and that is a fact reflected by the fact that in the Province of Manitoba allocation of the responsibility is divided into several departments: the Planning Secretariat has a group that works on housing; the Department of Co-ops has a group that works on housing; the Department of Municipal Affairs has groups that work on planning municipal areas; the Department of Finance has a responsibility in terms of looking at capital investment; the Ministry of Urban Affairs has a role; MHRC has a role; Leaf Rapids Development Corporation has a role; Industry and Commerce has a role; Department of Labour has a role. We can now count up on our hands something like seven departments and two or

three agencies all of whom have a bit and piece of trying to do something about housing. And what in fact results, it was too many cooks putting too many greens in the broth, that you don't get a proper recipe. It's a mixed recipe.

So as a result, Mr. Speaker, I don't say that co-ordination is necessarily the end-all answer, but it would be nice to have a try at it. It would be nice at least to get them together once in awhile to bring some rationality to the delivery of housing. I think all members of this House, or most members of this House accept the priority that it has. It is certainly one of the primary functions of a provincial government. The Minister goes down to Ottawa on every occasion and labours loud and long about how housing is very much a provincial function; and yet when it comes down to properly managing its function we are prepared to really separate, divide and fragment the housing responsibilities and not make really any confined efforts to bring them together in a rational way. And the proof of it is that we don't yet have a housing policy for the Province of Manitoba. There is not a housing policy for the Province of Manitoba. There is a policy in that they are a series of separate programs. There is a public housing program, a native program and a co-op program; but there is not a policy, and by a policy it means a proper set of objectives allocating resources to those objectives and being able to define exactly what the proper roles of private and public actually should be.

But we don't have a policy in this province. No one says exactly who should be taking the responsibility for what activity, it just doesn't occur. So really when I hear the Minister of Urban Affairs apologize — maybe that's the wrong word — attempt to rationalize the present approach, what I simply say to him is that he is flying in the face of rationality and in the face of facts. He is flying in the direct obvious absence of a housing policy in the Province of Manitoba, that covers the variety of sectors that are involved, and if he has got one I wish he would show it, because after three years of asking in this House for a housing policy, one has yet to be brought forward. I've asked. I've asked the Minister of Urban Affairs when he had the responsibility of MHRC. I've asked the Premier. I've asked the Minister of Industry and Commerce. I've asked several Ministers, saying: "Tell us what your housing policy is, not your programs," and there is a difference. "Tell us what your policy is. Tell us what kind of incentives you're going to provide for the rehabilitation and preservation of housing in the City of Winnipeg." Well, they always trundle out the critical Home Repair Program, which is a program confined to elderly persons living in single family homes. It has nothing to do with multiple dwelling, medium density units. —(Interjection)— Single family dwellings — well, okay.

The fact of the matter is though, that almost 40 percent of the housing stock in the City of Winnipeg is multiple family dwellings. So in fact we don't have a repair preservation program for close to 40 or 50 percent of the housing in Winnipeg. Now that's not policy. Particularly when you consider that a large proportion — I've estimated, done some of my own research — close to 25,000 housing units in the City of Winnipeg were built before 1920. That represents almost a quarter of the housing stock that's now coming of age when it has to be recycled or upgraded to measure up to standards. Furthermore, Mr. Speaker, when you take into account the extreme pressure being applied to that older housing stock by the application of the rent control measures, by the new application of the city by-laws, maintenance, occupancy and fire by-laws. There is really no adequate program or policy to re-supply funds for the upgrading of those programs under those severe pressures. Now that is a very big hole to quickly jump over, which I'm afraid, Mr. Speaker, the members of this Government have done. Because if they persist in jumping over that particular vacuum or absence, then it will simply mean that all the expensive efforts to provide new social housing units, the \$30,000 unit investments, are simply catch-up programs, simply trying to maintain at a level of housing those that are being eliminated from the stock now, not making any improvements. To try to pretend that we are making progress is simply not true. All it is simply doing is replacing what's been taken out and replacing it at ten times the cost and at five times the subsidy cost. Mr. Speaker, that means that there really isn't an adequate housing policy, because you don't sort of let a thousand units disappear at one end and assume that it makes a law of rational support to bring them in the other end at ten times the cost. I would suggest it might make more sense to try to stem the flow of elimination, without a policy we don't have it.

So I come back to the point that there are two important aspects of this resolution: one is the Department of Housing which is designed to overcome the present fragmentary approach. It is not as the Member for Riel suggests setting up a new department; it is simply pulling together those elements already existing in the provincial framework that aren't really involved in housing, simply bringing them together. He said a very important thing. One of the most critical influences now in housing stock is the application of building codes and planning law. And yet, I would suggest, Mr. Speaker, that those considerations are very rarely brought into account when considering the housing approach that this province takes. They are simply not part of it. Building codes are under the Minister of Labour and I would think, as members well know, any questioning of the Minister of Labour about the building codes does not result in any high degree of sensitivity to the problems of housing. He has a particular perspective brought forward from his own departmental imperative, the objectives of his own department which has nothing to do with housing and yet the building code is

fundamentally a housing matter and it's sitting over in the Department of Labour for some reason. That doesn't make much sense do you think? I don't think so; I just don't think that it makes much sense to allow an important agency applying the building code programs to be isolated away from what the social housing agencies are doing or what even is happening in the area of investment.

So, Mr. Speaker, we are not talking about a new department. We have a Minister of Urban Affairs who has a staff of two or three. He has a fair amount of time, we could be bringing in a Department of Housing under that Minister's jurisdiction, beginning to combine those different areas and then taking them one step further — and I went into this — we are also suggesting, and I think that this part of the Resolution has been passed over pretty quickly, suggesting that a housing loan fund be established to provide the kind of incentive both for the acquisition of land and leasing of it; for upgrading of older buildings and for helping municipalities to service land — that those particular interventions would be a wise and effective use of capital both in keeping costs down, opening up new areas of land for development purposes and providing for an upgrading program. It would fill a void that is presently very apparent in our housing approach and provide a stimulation and incentive for private activity.

So, Mr. Speaker, I feel that the purpose of the resolution is designed to recommend from this House to the government measures that could be easily taken to provide us with a more modern up-to-date and effective organizational structure for dealing with the housing problem and to re-allocate capital into the housing programs, and some capital servicing and upgrading so that we could begin to meet some of the very many pressing areas which are presently not being met in any way at all.

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

MR. TOUPIN: Mr. Speaker, I would like to say a few words on this Resolution. I happen to respect the knowledge and the sincerity of the last speaker, the Member for Fort Rouge, in regards to housing problems as we have it, mainly in the City of Winnipeg, although his expertise has not been limited to the city. I happen to believe that the Resolution as presented to us by the Member for Assiniboia is well intended and that we're not all perfect — far from it — I don't believe that any member of this side of the House has so indicated. We have attempted in our humble way to rectify some of the problems pertaining to housing in the last eight years. I believe that we leave to be wanting in certain areas and this is where I happen to agree with the Member for Fort Rouge that in regards to a — and I can't recall him saying that we need a central registry, although I had people talking to me while he was making his speech — but I happen to believe that that is something that we need in this province and mainly for the urban areas, the city of City of Winnipeg, Brandon, Thompson, The Pas, areas where housing is a problem pertaining to certain groups in society that cannot afford the type of housing that is now available. So I would certainly encourage a central registry, whether that be made responsible to a given department of government or given as a responsibility to the industry itself, I would personally favour the latter. I believe that a central registry for all types of housing is something that would be desirable, needed to be able to set a long term policy pertaining to the needs of housing of our citizens. I have to agree that we don't exactly know, based on statistics, based on a registry that should be set up, what type of housing is needed now, today, for our consumers, what will be needed two or three years from now, in Winnipeg, in regards to a group in a given earning bracket.

Recently, Mr. Speaker, I attended a conference put on by the Co-operative Union of Canada and the guest speaker was Dr. Alex Laidlaw, who indicated that in Canada including Manitoba, that we don't have a shortage of housing, that we have a shortage of the specific type of housing for a special group in society. I happen to agree with that and I discussed this with the Member for Fort Rouge and I believe that he agrees that it is not necessarily a question of the lack of housing in Winnipeg but a certain type of housing.

Although we've spent over the last eight years, Mr. Speaker, approximately \$250 million in public housing, including senior citizens' accommodation, I happen to believe that we haven't really scratched the surface pertaining to those in need of adequate housing. I believe that more can be done in the two other sectors, and I've said this before — the private sector itself has to be encouraged in regards to answering the needs of those most in need of adequate housing, and the co-operative sector has to do more. I believe that governments at all levels, and here I include especially the City of Winnipeg, the Province of Manitoba through any departments of government that are now involved, and certainly the Federal Government has to be able to answer the needs of housing, especially in regard to refurbishing of existing housing stock — the Federal Government has resisted, and I must say, even refused costsharing in regards to refurbishing of existing housing stock in the province of Manitoba. I, for one, would like to see the co-operative movement involved in this area. I would like to continue my remarks when this comes up again.

MR. SPEAKER: Order please. The Honourable Minister will have a chance to continue the next time. The hour being 5:30, the House is now recessed and stands recessed until 8:00 p.m. when it will reconvene in Committee of Supply.