

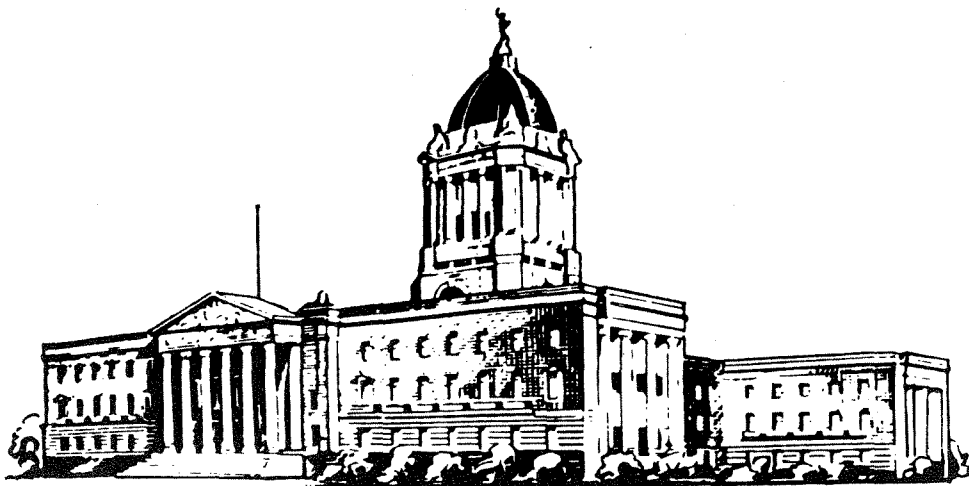


First Session — Thirty-Fourth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

37 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, September 13, 1988.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

ORAL QUESTION PERIOD

MPIC

Merit Program Criteria

Mrs. Sharon Carstairs (Leader of the Opposition):

My question is for the Minister responsible for the Manitoba Public Insurance Corporation (Mr. Cummings). At the present time, the driving records of Manitobans are being assessed according to the length of time their motor vehicles have been registered. Thousands of Manitoba motorists with impeccable driving records have been penalized simply because their motor vehicle was not registered for the minimum period of eight months.

In April, the previous Government discovered how Manitobans felt about its mismanagement of MPIC. In April, the present Government campaigned to clean up the mess that was established by its predecessors. Five months have gone by, Mr. Minister—or four months, excuse me, almost five months, it seems like five.

Can the Minister responsible for MPIC (Mr. Cummings) tell this House what actions he is taking to immediately eliminate penalties for responsible motorists in the Province of Manitoba?

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): It would be a little bit unwise to start changing the criteria in the middle of the insurance year, but I readily admit that the criteria that was used, using the merit program, was not exactly perfect and that there are some imperfections in the way the system has been implemented. So the internal review with the corporation and the review that Judge Kopstein is undertaking, which is near to completion, will give us a good deal of grist in which to adjust how the merit program is applied.

I would only indicate that the merit program, as it was designed, was never intended to be used in connection with an insurance situation, and that has led to the some of the imperfections in the system.

Mrs. Carstairs: We are delighted with the response from the Minister because he obviously understands that justice should indeed be served. What this side of the House would like know is when will justice be served?

* (1335)

Mr. Cummings: As I indicated, it would be somewhat unwise to start changing criteria in the middle of an

insurance year. We saw what happens to a corporation of this magnitude when you start implementing changes at the last moment. The corporation staggered under a tremendous back load. In fact, if the public knew how close that back load came to breaking the back of the corporation, they would have been very, very upset.

Mrs. Carstairs: The corporation itself is acting in a way of going back and assessing and reassessing. Why can this not be done by the same group of individuals for responsible drivers in the Province of Manitoba?

Mr. Cummings: Mr. Speaker, I take it that the Leader of the Opposition is asking to retroactively reevaluate how the merit points were awarded. I think that perhaps the Leader of the Opposition and the public of Manitoba should know that the corporation is still cleaning up some of the odds and sods that were created from the tremendous chaos that was caused within the corporation by those last minute changes. I very much sympathize with anyone who feels that he has been badly done by the corporation. To make changes in the middle of the year, however, would create other inequities that would, in some form, I am sure, embarrass the corporation and embarrass anyone who is looking for some honest-to-goodness changes and proactive changes that will prove the system.

Mrs. Carstairs: We certainly are looking for proactive changes, but as usual we do not get any.

MPIC

CEO Replacement

Mrs. Sharon Carstairs (Leader of the Opposition):

Mr. Speaker, this corporation has been without a chief executive officer not only through months of the previous administration but now through your term of office. When will we get a chief executive officer for MPIC?

We were told we were going to get the Kopstein Report on the 30th of June; then we were told the 15th. Now we are told it will be early in September. Can the Minister responsible for MPIC (Mr. Cummings) tell this House if he has received the report and when it will be tabled in this House?

Hon. Glen Cummings (Minister responsible for Manitoba Public Insurance Corporation):

Obviously, the Members opposite either assume what the answer is going to be or they want to dictate what the answer is. I have not yet received the Kopstein Report. When I receive the report, it will be printed and it will be translated and very shortly thereafter it will be tabled.

Kopstein Report Request

Mrs. Sharon Carstairs (Leader of the Opposition): Can the Minister responsible for MPIC (Mr. Cummings) inform the House if Judge Kopstein has told him the exact date of that report being delivered to him?

Hon. Glen Cummings (Minister responsible for Manitoba Public Insurance Corporation): The precise date, no.

Aboriginal Justice Inquiry Funding

Mr. Elijah Harper (Rupert's Land): Mr. Speaker, my question is not to MPIC, but rather my question is to the Attorney-General (Mr. McCrae). Last week or so, I wrote to the Attorney-General requesting that he provide the answer to the Assembly of Manitoba Chiefs for a funding request that they made regarding the inquiry.

This morning, the Commission of Inquiry into the administration of justice and aboriginal people opened in Winnipeg. One of the first briefs to be heard was out of the Assembly of Manitoba Chiefs making a strong plea for provincial funding so that Native people can participate fully in the inquiry.

I want to ask the Attorney-General, since Judge Sinclair and Justice Hamilton and the Native people themselves are saying that they can be severely hurt without the financial support to help them participate, will he consider his stand on this matter?

* (1340)

Hon. James McCrae (Attorney-General): It was indeed very interesting to receive a letter from the Honourable Member for Rupert's Land (Mr. Harper) last week, regarding funding for the Native inquiry and for funding for presenters to the Native inquiry. The Honourable Member was a part of the Government which, in the middle of an election campaign, saw fit to set up the Commission of Inquiry and to mandate that Commission of Inquiry, and also to set the budget for that Commission of Inquiry—I believe \$322,000 for this fiscal year.

Mr. Speaker, when we looked at the funding for the inquiry since the new Government took over, of which the Honourable Member is not a part, we find that the funding for the inquiry has more than doubled the funding set aside by the Honourable Member's Government. So it is passing strange to me that the Honourable Member for Rupert's Land (Mr. Harper) should, at this point in time, on the day that the Commission of Inquiry opens to do its work, would come forward, or last week, in his letter, would come forward and make this kind of request when he had plenty of opportunity to make that kind of request to his own colleagues and his own Premier and failed to do so.

Mr. Harper: Mr. Speaker, the Native people want to participate and take this inquiry seriously. I know that

we were the Government that initiated the inquiry. I might say that the funding that was made available was not a total commitment that we made. We made a commitment to the chiefs that we would look at their proposals for participation in an inquiry. You do not understand what the Native people want; they want to be able to participate. Will he make that funding available to the Manitoba chiefs today and get that answer to the chiefs?

Mr. McCrae: Mr. Speaker, I was delighted to be invited this morning by the Commissioners of Inquiry to take part in the opening ceremonies, and to be there and witness the smoking of the peace pipe and to hear the Native prayer at the beginning of the deliberations of the commission.

I was also delighted, Mr. Speaker, to see there, speaking directly after me, Chief Stevenson, who had threatened to boycott the inquiry. He saw fit to change his mind and to be there and to take part, and I was absolutely delighted.

I believe the contribution that will be made by the Assembly of Chiefs will be a good contribution and a valuable contribution. I am sure that they will make use of the \$325,000 committed to them by the Minister responsible for Native Affairs (Mr. Downey) to be used for the purpose of assisting them in making their presentation to the Commission of Inquiry.

I must say I was pleased with Chief Stevenson's change of heart because his view about boycotting the inquiry was not shared by other Native leaders in this province.

Mr. Harper: What is shared by the aboriginal people is the concern of this Government not understanding what the communities need. What they need is money, financial resources, that they can prepare for the inquiry. There are many elders and children in those communities that need funding so that they can fully participate in the inquiry. Will he consider this funding proposal that was directed to him sometime ago?

Mr. McCrae: Mr. Speaker, the question is somewhat repetitious in that it asks for exactly the same thing each and every time. I saw the Honourable Member at the opening today. I was glad to see his interest in the matter—it seems to be a new-found interest in the matter—but I was pleased to see him there today.

If he had been listening to Chief Judge Sinclair, as I was, he would have heard Chief Judge Sinclair talk about the informal nature of the inquiry and the informal process. Indeed, contrary to something the Honourable Member for St. James (Mr. Edwards) said last week, the commission does not have a lawyer itself for this stage of the hearings and does not want one there. So the Honourable Member should have been listening this morning when he was there.

The fact is, as I said before, the request put forward by the Honourable Member is not a request that would be put forward by all Native groups; but if a number of Native groups did come forward, I would ask the Honourable Member the same questions I asked the

Member for St. James (Mr. Edwards) last week: How much does he want to lay out; to which groups; and how many does he want to leave out of the process?

* (1345)

Mr. Harper: Mr. Speaker, this Government has received \$2 million more in revenue this year than was expected.- (Interjection)- Two hundred million this year in revenue that was not expected during our term.

Will the Attorney-General agree to redirect some of that money to the Indian chiefs and the aboriginal people instead of CPR and other tax breaks for corporate people?

Mr. McCrae: Mr. Speaker, the Government of the Honourable Member opposite would rather spend \$27 million on the sands of Saudi Arabia rather than adequately fund the Native inquiry.

Our commitment to that inquiry is more than double the commitment of the previous Government, and I suggest the Honourable Member should encourage people to take part in that inquiry because today was a very positive day in spite of the pall that the Honourable Member is attempting to throw over the inquiry. We expect to see some very good work done by the inquiry; and judging by the enthusiasm and the commitment of the two judges involved, and also of the Native peoples who have shown such an interest in it, I believe we can all expect a very good result and better things in the justice system in the future for all Manitobans and particularly Native Manitobans.

Manitoba Education Council AIDS Reporting Lines

Mrs. Iva Yeo (Sturgeon Creek): My question is for the Minister of Education (Mr. Derkach). The previous Government established the Manitoba Education Council on AIDS and, by the time of the election, had developed guidelines as the basis of a province-wide program for teaching about AIDS and for dealing with HIV infected staff and students. A subcommittee of the council worked on guidelines for post-secondary institutions, but they now have no one to report to.

The council's report was finished in March of this year. When will the Minister of Education table that report in the House?

Hon. Leonard Derkach (Minister of Education): Mr. Speaker, the guidelines that the Member is referring to have been reviewed by myself, as the Minister, and by my department. In fact, the letters are going out to the superintendents informing them that in fact the guidelines have been accepted by the department and are going to be the ones that we will be following in the province.

Mrs. Yeo: Given Dr. Margaret Fast's statement that education is the only weapon against the dread disease, will the Minister take real and substantial steps on the education front by committing himself to implementing the report's recommendations immediately?

Mr. Derkach: Mr. Speaker, I just indicated that the guidelines are being implemented immediately in terms of how to handle the AIDS infected individuals in classrooms and in schools. That is being done at the present time.

I also have to indicate that in-services through the province have been planned to instruct the teachers on how to deal with the AIDS problem and how to properly address the situation of the AIDS curriculum in the schools of Manitoba. So that is all in progress.

With respect to the AIDS Council, we have indicated that we are going to be taking a look at how best to address the whole area of AIDS in terms of not only the Department of Education but how it relates to the Department of Health as well. So, therefore, we are studying that at the present time and hopefully in the near future we will be able to make an announcement in regard to the status of the various councils or organizations as they relate to the AIDS situation.

Mrs. Yeo: Mr. Speaker, my final supplementary to the same Minister. If the Minister is reluctant to table the report in the House, I am surprised and I am wondering if he could give his commitment to review these policies with the Manitoba Council on AIDS at least annually and revise and reflect new medical information that comes with the response to the HIV infections.

* (1350)

Mr. Derkach: Mr. Speaker, I wish to advise the Member that a meeting has already been structured with the council to do just that very thing, to be able to discuss with them the kinds of programs that are required in the school system and renew information that is now at present, and how we should be addressing the whole situation in this coming year. So that meeting has already been undertaken.

Manitoba Education Council AIDS Report Review

Mr. Guizar Cheema (Kildonan): My question is for the Minister of Health (Mr. Orchard) and I hope he is listening today. AIDS is becoming one of the leading causes of death, and treatment is costly and imposes terrible sufferings on the patients and their families. Prevention through education is the cornerstone of combating AIDS. Could the Minister inform this House if he has reviewed this report of the Manitoba Education Council on AIDS?

Hon. Donald Orchard (Minister of Health): The issue of AIDS has been indicated by my colleague, the Minister of Education (Mr. Derkach).

Mr. Cheema: Have you reviewed it?

Mr. Orchard: It is a report which Government staff found meets the current criteria level of knowledge that currently exists in terms of ongoing research and new developments in AIDS and the education required to fully inform, not only teachers and students, but indeed people in the health care community.

However, my honourable friend well knows that research into AIDS gives us a rather moving target in terms of knowledge as to what additional factors contribute to the spread of that dreaded disease, and hence the information base is constantly being updated.

Mr. Cheema: I do not know why the Minister has not read the report. It has been ready for the last seven months.

My supplementary to the same Minister. We believe that health education is the joint concern of the departments of Health and Education. Will the Minister tell this House how he and the Minister of Education (Mr. Derkach) will develop and draw plans and when these detailed plans will be released to this House as regard to AIDS?

Mr. Orchard: There is, I believe, a total of three committees of Government which are working with the AIDS problem. There is a group within the Department of Health. There is a group within the Department of Education and, as well, there is an interdepartmental group which meets upon occasion to discuss issues of mutual concern as they apply to various departmental responsibilities.

Those committees were established by my honourable friends in the previous administration and have served a useful purpose to date. This Government is committed, as was indicated in the Throne Speech, to furthering and enhancing the education of Manitoba groups and citizenry, school children, and health care officials. In terms of the difficulties that AIDS presents, it is a Government policy issue.

As I said to him in my previous answer, the information base changes now on probably a monthly or bi-monthly basis where new initiatives, new research discoveries provide important information as to how Governments might best approach AIDS as a potential and devastating epidemic.

Mr. Cheema: My final supplementary again to the same Minister (Mr. Orchard). How can he take any action without reading the report for the last six months or seven months? One of the easy ways to communicate to the public regarding AIDS and its prevention is through pamphlets. The Minister has had five months now. Why is he delaying release of these pamphlets, because these pamphlets are not in circulation at the present time.

Mr. Orchard: Mr. Speaker, obviously the Liberal computer did a misprint for the Leader as well as for the Health critic. It is four months and I simply - (Interjection)- Possibly the critic for Health for the Liberal Party might get an answer if he would listen instead of yammering across the floor.

As I have indicated to my honourable friend, information that is changing constantly—do I hear cries from the wilderness, from the political wilderness in my background here? My honourable friend is attaching a very valid question as to the publication of a new

Some Honourable Members: Oh, oh!

* (1355)

Mr. Speaker: I will not say anything. The Honourable Minister of Health, kindly finish the answer.

Mr. Orchard: Mr. Speaker, with all due respect, I think I did nothing to cause that.

Mr. Speaker: Somebody is mad at you, Don. The Honourable Minister of Health to finish his answer.

Mr. Orchard: I would simply indulge upon my honourable friends in the wilderness to hold their comments and they might receive an answer.

Mr. Speaker, an AIDS pamphlet is definitely in the final stages of preparation and will be ready. I am not satisfied with the progress and I take some personal blame for that, but there are many issues that we have had to expedite in the Department of Health and in cooperation with my colleague, and an AIDS pamphlet will be ready in the very near future.

Rafferty-Alameda Project U.S.-Canada Negotiations

Mr. Gary Doer (Leader of the Second Opposition): My question is to the Minister of Environment (Mr. Connery). Yesterday I was quite surprised to hear the Member, in his speech on the emergency debate, and indeed his colleague, the Minister of Natural Resources (Mr. Penner), talk about technical committees and other committees and totally deny Manitobans and indeed Canadians, both a provincial environmental impact study and, indeed, a Canadian or national environmental impact study in terms of the federal Minister. I was further astounded to hear the rationale that we could not afford an environmental impact study in this province; that was one of the rationales given to the people of Manitoba.

I would like the Minister to inform Manitobans whether, in fact, there are negotiations going on with Canada and the United States with Manitoba's involvement under the direction of the Minister of Environment (Mr. Connery) and the Minister of Natural Resources (Mr. Penner).

Hon. Edward Connery (Minister of Environment and Workplace Safety and Health): Frankly, Mr. Speaker, I am indeed pleased to answer that question. If you had only said, the Minister of Natural Resources (Mr. Penner) and myself, from the outset were both involved in the Rafferty-Alameda Dam Program, that we would not sacrifice one iota of Manitoba's water, or water quality, for the Americans or for Saskatchewan.

An Honourable Member: No one did.

Mr. Connery: Mr. Speaker, they had the program for the full time before we were elected and they did nothing. But, I can assure you that there is a committee with Manitoba representation on it, they are working toward resolving Manitoba's quality concerns and volume concern. Mr. Speaker, I can assure this

Tuesday, September 13, 1988

Legislature, and all Members in it, that if we are not satisfied with the information that comes back to us we are not afraid to call an environmental impact study. This Government will not back away from its responsibilities, as the previous Government did, and did nothing. We are prepared to work with the Government of Canada, the Government of the United States, and the Government of Saskatchewan to ensure that Manitobans have a good volume of water and a good quality of water.

* (1400)

Mr. Doer: I am pleased the Minister has indicated that he is now open to an environmental impact study. He has not confirmed one yet.

Souris River Project Compensation Agreement

Mr. Gary Doer (Leader of the Second Opposition): My question to the Minister of Environment (Mr. Connery), can he confirm that in these negotiations and the discussions with the United States, a tentative agreement has been reached with the Government of Canada and the United States, with Manitoba's involvement, calling on a hundred-year agreement for the Souris River for compensation of Manitoba being \$204,000, some \$2,000 per year for Manitoba's compensation for the Souris River system? Can he confirm a draft agreement has been reached to that nature?

Hon. Jack Penner (Minister of Natural Resources): There has been no agreement reached; there has been no deal signed. The sum of money that has been referred to by the Member opposite simply has no backing to it. We have simply at this time not reached a point whereby the federal Government, the American Government or Saskatchewan are, or will, put a signature on any agreement.

Mr. Doer: I am glad the Minister has informed us that indeed the \$204,000 has not achieved an agreement and a hundred years has not been achieved in the agreement. We do know that that type of agreement is circulating down in the United States, in terms of a draft tentative agreement that Manitoba has achieved with the United States Government.

I would ask this Minister to now tell Manitobans and inform Manitobans forthwith, in light of the comments being made publicly in the Souris system and by Manitobans in terms of their concerns on their environment, not knowing whether the water quality is going to be enhanced or decreased, not knowing whether the volume is going to be enhanced or increased, to immediately order an environmental impact study before any of these negotiations proceed any further, notwithstanding the fact that there are draft agreements down before the United States right now.

Mr. Penner: It surprises me somewhat that the Honourable Member would refer to a decrease in the quality of water. He knows full well, and so should most

Members of this House, that the quality of water and the quantity of water are maintained by an agreement. The 1909 agreement gives us the standard for water quality; the 1959 agreement—

An Honourable Member: You ripped it up.

Some Honourable Members: Oh, oh!

Mr. Penner: The 1942 agreement—

Mr. Speaker: Order, please. First of all, let me apologize to all Honourable Members. We seem to be having difficulty again with our electronic equipment. Therefore, I do not see too many Members wearing their earpieces, so in order to facilitate it so that we can hear the questions and the answers, I would ask all Honourable Members just to kindly keep it down. The Honourable Minister of Natural Resources.

Mr. Penner: Mr. Speaker, we have not, as some in the federal Government have, indicated to anybody that we are going to tear up any deals. We are in the process of assuring ourselves that Manitobans will have and will maintain the same assurances from North Dakota that the water qualities that flow down the Souris River today will be maintained. However, we are in the process of negotiating with the North Dakotans on even a better quality of water than what we have today, because of the construction of the Rafferty-Alameda project.

Western Diversification Fund Funding Allocations

Mr. Laurie Evans (Fort Garry): On September 8, the Honourable Bill McKnight, the Minister responsible for the Western Diversification Fund, announced a commitment of \$50 million to a national agriculture biotechnology initiative.

We are certainly pleased to hear that. The concern I have is that it has been identified that this would be a cost-shared program, 50 percent from the federal Government and 50 percent from the four western provinces. My question is to the Minister of Agriculture: Has Manitoba entered a formal agreement to participate in this program, and is funding allocated in the current Budget for that purpose?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, I have to tell the Member that negotiations are now ongoing between the department and the federal Government on that; and, no, nothing formal has been signed yet and we will get into further discussions after we get into Estimates.

Mr. Laurie Evans: Mr. Speaker, I am a little concerned that the announcement has been made without anything being finalized here in Manitoba, and I think many of us in Manitoba are concerned that we do not feel that we have necessarily gotten our fair share from the Western Diversification Fund.

So my question to the same Minister: can Manitoba rest assured that we will get our fair share, which should

be somewhere in the range of about \$2.5 million per year for this purpose?

Mr. Findlay: Yes.

Mr. Laurie Evans: The other concern I have, Mr. Speaker, relates to the advisory committee, and it has been stated that there will be an advisory committee with participants both from the private and the Government sector.

Can the Minister assure us that he will be negotiating on our behalf to make sure that there is adequate representation from Manitoba on that particular board?

Mr. Findlay: Mr. Speaker, I can assure the Member that, yes, we have got adequate representation.

Free Trade Agreement Hog Producers Assistance

Mr. Bill Uruski (Interlake): My question is to the Minister of Agriculture (Mr. Findlay), as well. It has been reported -(Interjection)- Mr. Speaker, it appears the Minister of Environment (Mr. Connery) has done such a job on the environment that he wants to pass off some of his heat. He has heated up the environment to such a degree he wants to move some on.

To the Minister of Agriculture (Mr. Findlay), Mr. Speaker, the recently passed U.S. Omnibus Trade Bill will now provide the U.S. Government with statutory power to extend the tariff on hog carcasses and processed products. This Government, Mr. Speaker, has been blindly supporting this trade view which guarantees Americans access to our resources, a virtual freedom to take over Canadian industries, while there is nothing in the agreement that can settle the disputes, other than a committee to tell us whether the U.S. law has been applied according to form, not whether the law is unfair.

I ask this Minister, in view of that Omnibus Trade Bill, which can and will have a major impact on our hog producers, can this Minister tell us what he is doing to assist Manitoba hog producers who stand to lose millions as a result of further depressed prices and additional duties on pork products?

Hon. Glen Findlay (Minister of Agriculture): I am pleased to tell the Member for Interlake (Mr. Uruski) that the actions of the United States in passing the Omnibus Bill certainly shows the protectionist attitude of the United States. The reason that we need a trade agreement with the United States, it allows us, on a 50-50 basis, through working groups and the dispute-settling panel, an opportunity to present our side of the issue.

I would also like to tell the Member that the hog industry has been very aggressive in this province. They have expanded production from 800,000 hogs to 1.8 million in the last 10 years. The exports to the United States have increased from some \$20 million to \$80 million a year in the last six years.

Mr. Uruski: Mr. Speaker, I ask the Minister: is he taking the same line as the chairman of the Manitoba Hog

Producers' Marketing Board that will resolve, that we will resolve, since there is no dispute settlement mechanism, we will resolve this matter of duties over the next seven years? Is this Minister of Agriculture (Mr. Findlay) taking that same position? Since there is no dispute settling mechanism in the agreement, is he now saying we are going to bury our head in the sand and we will allow the Americans to impose additional duties on our hog producers, costing them millions of dollars?

Mr. Findlay: I would like to remind the Member that some three years ago hog countervail was attempted by the United States and that government over there did nothing to protect the hog industry of Manitoba. The president of the Canadian Pork Council led a delegation of Canadian pork producers to the United States to present our side of the case.

At that time, the Commerce Department of the United States and the International Trade Commission ruled that hog was countervailable but pork products were not countervailable. That was just two years ago that pork products were deemed to be non-countervailable, and that is where the pork industry believes that they can win their case in that they are non-countervailable. Furthermore, at this point in time, the hog industry has had little or no subsidization in the last two years. Therefore, on what basis can they prove injury? There has been no subsidization.

* (1410)

Mr. Uruski: Mr. Speaker, either the Minister is very forgetful or very stupid.

An Honourable Member: He is forgetful.

Mr. Uruski: He is forgetful, Mr. Speaker.

Mr. Speaker: I would like to thank the Honourable Member.

Free Trade Agreement Economic Policy

Mr. Bill Uruski (Interlake): I ask the First Minister (Mr. Filmon), will he take his blinkers off, quit supporting this economic union and urge his colleagues in Ottawa to abandon this Mulroney-Reagan trade deal, knowing now that there is no benefit to the hog producers which will cost them millions, knowing that the vegetable industry will have downturns and also that the grain industry has negligible benefits? Will he now agree that the farmers of this province have nothing to gain by this economic agreement, and will he urge his colleagues to change this agreement?

Hon. Gary Filmon (Premier): Mr. Speaker, the Member for Interlake (Mr. Uruski) and his colleagues do exactly what we have seen in this House over and over and over again. They ignore the views of the people who are involved in the industry themselves—the people who are going to be affected, who are going to have to ensure they can compete, who are going to have

to ensure that under this agreement they can be productive and be a benefit to our community in future. They ignore completely these experts and they come up with their own trumped-up version of what the agreement says and what the legislation says.

Today, the Manitoba Hog Producers' Marketing Board issued a news release in which they made a number of points: (1) being that pork products were not countervailable; (2) being that there has not, under previous decisions, under U.S. trade law, secondly, they would find that, in future, there would be no basis for trying to have an action against hogs because hogs have not been subsidized in this country for a number of years.

They have said that they are quite happy with the agreement as it pertains to the hog industry, and they have no concerns about the omnibus trade legislation. So who are we to listen to? The pork producers who have to survive and who have to grow under the trade agreement, or an NDP critic who does not know what he is talking about?

Aboriginal Justice Inquiry Core Funding

Mr. Paul Edwards (St. James): I listened with great interest and curiosity earlier in this hour to responses from the Attorney-General (Mr. McCrae) to questions from the Honourable Member for Rupertsland (Mr. Harper) about the direction of research funds for the Aboriginal Justice Inquiry.

I want to firstly say that I note that the Attorney-General is happy that Chief Stevenson has been brought to his knees. He has made a presentation because there are no funds that have been diverted—disappears the way this Government negotiates. He has come to this because he has got a choice either to miss the inquiry or do it without adequate preparation research. That is the choice this Government gave him.

Mr. Speaker: And the question is.

Mr. Edwards: My question is the Attorney-General (Mr. McCrae) mentions \$325,000 as an excuse that has been given to Native groups. Will the Attorney-General not please tell this House if those funds were not in fact core funding for those groups and meant for other purposes, and does he expect those groups to spend their core funding in preparation for this inquiry? Is that what he is saying?

Hon. James McCrae (Attorney-General): I think it is a little bit unfortunate the language the Honourable Member would use to describe Chief Stevenson's attitude in this whole matter. I think he does a disservice not only to the issue that he is raising but also he does the Manitoba chiefs a great disservice by referring to the matter in this way. In fact, I would consider it insulting. It is a good thing the Honourable Member, I suppose—I did not see the Honourable Member this morning at the opening; I assume he was not there and probably busy with other things—but I think he should have been there to hear what actually was said

there and to hear what Chief Judge Sinclair had to say as well this morning.

Mr. Speaker: The time for oral questions has expired. Does the Honourable Member for St. James (Mr. Edwards) have leave for one final question? No.

SPEAKER'S RULING

Mr. Speaker: Order, please. I would like to inform the House that I have a ruling for the House.

On September 6, I took under advisement a point of order raised by the Honourable Member for Churchill (Mr. Cowan), respecting words spoken during Question Period by the Honourable Minister of Community Services (Mrs. Oleson). The specific words about which the NDP House Leader, the Member for Churchill, complained were: "I think the ulterior motive is in the mind of the questioner." In making this statement, the Minister was responding to a question from the Honourable Member for St. Johns (Ms. Wasylycia-Leis)," . . . if there is anything more behind this kind of approach to day care other than ideological blindness?"

I have read Hansard carefully in order to be very clear about what was said. Relevant citations from Beauchesne and prior rulings have also been examined.

Imputation of bad or unworthy motives as a breach of order comes under the heading of Unparliamentary Language. The authorities advise us that many points have to be considered by the Speaker of the House when determining whether particular words or phrases are unparliamentary, such as the tone, the manner and intention of the person speaking and, in some cases, the degree of provocation.

I have reviewed our experiences to date in this Session with respect to the frequency of occasions on which it has been alleged that Honourable Members are imputing bad or unworthy motives to other Honourable Members. Beauchesne reminds us that "points of order are justified when there is some flagrant misuse of the Rules, but they are unfortunate necessities which should not be regarded as usual phases of procedure." I have some concern that a trend in this direction may be developing.

This is a place in which competition and, from time to time, confrontation goes with the territory. Strong views are held by all Honourable Members and often these are opposing views. In the heat of the moment, strong but not necessarily unparliamentary words will be used. With respect, I believe that this is to be expected in this type of forum. I would request all Members to assist the House by using care in their choice of words.

In conclusion, I am of the opinion that the words spoken by the Minister of Community Services did not impute unworthy motives and therefore were not unparliamentary.

* (1420)

Mr. Ed Helwer (Gimli): Do I have leave to make a non-political statement?

Tuesday, September 13, 1988

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Speaker, I challenge your ruling.

Mr. Speaker: Order, please. The ruling of the Chair has been challenged. Shall the ruling of the Chair be sustained? All those in favour of the motion, please say Yea. All those opposed will please say Nay. In my opinion, the Yeas have it.

Mr. Helwer: Do I have leave to make a non-political statement?

Mr. Speaker: Does the Honourable Member for Gimli have leave? (Agreed)

NON-POLITICAL STATEMENT

Mr. Ed Helwer (Gimli): Today, we have visiting a medical student from Cambridge, England. Her name is Sara Wood. She will be touring some rural hospitals as well as the St. Boniface Hospital and other medical facilities in Manitoba.

Hon. James McCrae (Government House Leader): Mr. Speaker, I move, seconded by the Honourable . . . that Mr. Speaker do now leave the Chair and the House resolve itself into a Community to consider of the Supply to be granted to Her Majesty.

MOTION presented.

MATTER OF GRIEVANCE

Mr. Elijah Rupertsland (Rupertsland): I would like this opportunity to grieve at this time.

Mr. Speaker, I rise at this time to grieve over the unwillingness of the Conservative Government to fund the aboriginal groups and individuals wanting to make presentations at the inquiry into aboriginal justice which began today. I might add, it was this Government that initiated that justice inquiry. Unfortunately, the timing announcement of the inquiry was at that time a very unfortunate event and tragic for aboriginal people. We as a Government and my colleagues funded the aboriginal organizations and, subsequently, this Government also provided some funding to a tune of \$325,000 to the Assembly of Manitoba Chiefs.

I might add, when we were in discussion with the Assembly of Manitoba Chiefs, the question of funding for the justice inquiry was not concluded. As a matter of fact, we provided the initial funding of, I believe, \$325,000 or \$350,000 to initiate the justice inquiry. Furthermore, we had discussions with the chiefs at that time in which we would entertain their proposal for the participation in the inquiry. The amount of funding was to be considered and the formal presentation was to be made to us in terms of what the Assembly of Manitoba Chiefs want to do with the funding, because they needed to be involved, they need the money, the resources to prepare the communities.

An Honourable Member: I cannot even hear him and I am sitting next to him.

Mr. Jay Cowan (Second Opposition House Leader): On a point of order, Mr. Speaker. There appears to be a great number of side conversations going on in all parts of the Chamber. It makes it extremely difficult with the sound system being somewhat inoperative today to hear what the Member is saying. I would hope that you would ask all Members to pay attention to this important debate.

Mr. Speaker: I would like to thank the Honourable Member for Churchill and I would like to remind all the Honourable Members, if you would like to have some private conversations, we do have rooms off to the side, because we are experiencing extreme difficulties today with our technical equipment. So I would like to remind all Honourable Members just to keep it down. The Honourable Member for Rupertsland.

Mr. Harper: Thank you, Mr. Speaker. The Government House Leader (Mr. McCrae) has said that it would cost too much to fund more research. My question is this: who is paying the cost of the current system? Is it the unemployed youth living on the reserves? Is it the families paying the highest food and goods on reserves? Is it the children who are forced to live in Indian Affairs houses, with 10 or more people in the homes?

Where is this money going that the Conservatives want to save? Is it more tax breaks for CPR, Inco, or other large corporations? Why does this Government think that Indian bands themselves have more resources, or more resources to do the research that this Government refuses to do? Why does the Government not have the funds to assist the aboriginal people when it has no such hesitation in spending hundreds of thousands of dollars for task forces on a number of other issues?

Virtually, the first thing this Government did upon taking office was to cut funding for Community Places grants in northern Manitoba. The over \$200,000-plus that they saved in this measure could have funded dozens of reports and researchers. This money could have explored how decisions affecting Native people are made by white politicians in Winnipeg, who would think Garden Hill is a golf course in northern Manitoba.

Why did they cut the funding for Community Places programming in the North? The Conservative Minister said this would create fairness for the whole province. Is it fair that golf courses in Tuxedo, or Charleswood get funding while Native communities that have no employers do not? Does the Government believe that residents in River Heights need a special break from the province in order to improve their living standard? Apparently they do. It is shocking to see such nonsense, Mr. Speaker. Only someone incredibly naive would believe that Conservatives are not treating the North fairly.

The purpose of the aboriginal inquiry was to involve aboriginal people. They were supposed to restore confidence in the judicial system amongst aboriginal people. We do not want to simply hear more platitudes from sociologists or self-styled experts from comfortable homes in Winnipeg.

When the former Attorney-General, Vic Schroeder, and I announced this in March, the need for action was

obvious. Aboriginal people have suffered injustices on many levels over the past 300 years since the white people settled in this country. The frustration that we face and have faced over this time has increased as we have witnessed deliberate often well-meaning attempts to destroy our religion, our culture, to take away our land, destroy our traditional economy and to take away control over our very own lives.

The educational system has been used to try and convince us that we are worthless. In the residential schools we were often punished for talking our own language. We were forcibly separated from our relatives and friends for months and taught our way of life was inferior, that we should want to live in River Heights and consume goods. The destruction of our society that has taken place is common to indigenous people throughout the world.

The injustices we have suffered make our respect for the judicial system limited at best. There is so much discrimination occurring against our people. It is often amazing to see just how accepting we are of our situation. Without equality there can be no justice.

Aboriginal people want a judicial system that recognizes the Native way of life, and the white man's way of life is quite different than our way of life here. Our history and cultural values are different from the majority of the population.

The aboriginal people in Manitoba are roughly six percent of the population of Manitoba, giving Manitoba close to the largest aboriginal population in all Canadian provinces. At least two-thirds of Manitoba's status Indian population do not live on Indian reserves. Most of them live in Winnipeg and other urban centres. The aboriginal population is much younger than the population of Manitoba as a whole. The median age of aboriginal people is 17 compared to 30 for the population as a whole. With such concentration of young people, this young population is very vulnerable—that is influenced greatly by social and economic problems.

Aboriginal people dramatically live shorter life expectancies than other Canadians. Conditions are extremely worse than the Canadian average. In Manitoba the employment rate of aboriginal people is the lowest in the country. Officially on-reserve status Indians have an unemployment rate averaging over 70 percent in this province. The actual rate for many reserves is far in excess of 90 percent.

Over two-thirds of the Indian population has less than Grade 9 education. The drop-out rate of students on reserves, particularly at the Indian Affairs run schools, is the highest in this country. Less than 20 percent of Indian students finished high school. Most who do have to leave their homes to attend a school—like I myself had to—leave my reserve and spend 10 months of the year in an Indian Affairs' residential school. The conditions, resources, funding and standards in most of these schools are appalling. No white city or town can accept the shabby Indian Affairs' schools that are available on Indian reserves.

Since 1984 the federal Government has aggressively pursued the plan of the former Indian Affairs Minister,

Jean Chretien, to reduce federal spending and involvement on reserves. At that time, the federal Minister introduced a White Paper that was often referred to as a "1969 White Paper Policy" at which time it was to alleviate many of the treaties that were made with the Indians and also to transfer the responsibility onto the provinces.

* (1430)

The federal Conservative Government has attempted with this program, with a variety of program cuts and offloading onto the province of various social and economic programs, they have increasingly argued that there is suddenly a provincial responsibility and jurisdiction for health, child services, education, community development and many other areas which were previously federal. The most notorious of these planned cuts was the Nielsen Task Force Report. It was never officially implemented but more subtle ways of not keeping up with inflation, not funding research or increasing funds in proportion to population growth have much the same overall effect upon the increasing needs for social and economic development on reserves.

In reserves the cost of food and other essentials at the only store on most reserves are all most extremely high. The Consumer Price Index ignores the high prices on these reserves when it gives the cost of goods across the country. The ownership of the Hudson's Bay Company has officially changed but the suppliers' prices, profits and monopoly continue.

On most reserves, outside of the band, there are usually four major employers: the Department of Indian Affairs, staffed mainly with white people from Winnipeg and southern Manitoba; the Hudson's Bay, with the obligatory white manager; the nursing station; and perhaps a natural resources officer sent in from Winnipeg or either the RCMP are on call to come in. None of these employers of course can provide job prospects for more than a tiny fraction of the aboriginal population. While the white people on the reserves traditionally have an unemployment rate of zero, the number of Natives who can look at any of these jobs with future expectations are very few.

Nationally, aboriginal people constitute 2 percent of the population but they constitute 10 percent of the prison population. In Manitoba, the figures are truly staggering. Over 60 percent of the prison population in this province is aboriginal. Like the unemployment rate, the incarceration rate for aboriginal people is also the highest rate in this country. The problems aboriginal people face is the lack of economic opportunities, high cost of goods and services, lack of adequate housing, deplorable social conditions and systematic discrimination.

These problems cannot be easily separated from their relationship with the judicial system. Nearly 90 percent of reserve homes have two or more families living in them. The poverty of aboriginal people is directly related to how they act when charged with offences. Aboriginal people form an under class similar to those aboriginal minorities in many other countries.

The high rate of guilty pleas and imprisonment for non-payment of fines are two obvious examples of poverty determining incarceration rates. Seventy percent of the people jailed in Headingley are aboriginal people, and 66 percent of the inmates in Portage la Prairie are aboriginal people.

Earlier today, the federal Member of Parliament, a Conservative Member, boasted that he has obtained 17 million tax dollars to upgrade Stony Mountain Penitentiary. Forty percent of the inmates there are aboriginal people. The same Member of Parliament has been a constant enemy of Indian Bands and their efforts to get aboriginal rights. This is his example of what he thinks of aboriginal people, better prisons.

Is it true there is some equity in the judicial system in this area? All poor people are treated unfairly, regardless of race. This is a small consolation for the poorest of Canadians, the aboriginal people. They know all too well that someone who steals \$1.4 million from a bank or \$200,000 or more from a theatre will receive better treatment than someone who cannot post bail on a minor offence or will sit in a cell for perhaps months awaiting trial. It is of no comfort for Natives in Pukatawagan to know that Natives in Nova Scotia are treated even worse by the judicial system there that seems to judge people not just by their wealth, race, but also their political stripe.

Systematic discriminations exist in this province. Aboriginal people in this province rightly feel that their culture, their traditional way of life is constantly on trial by a system that is trying to destroy their way of life and replace it with the consumer society of the white man. We are constantly under attack by many of the Governments and many of the other things that are happening.

One example I can point out is, of course, the resolution I introduced here respecting the threat that we are being under by the European activists that will have a harmful effect on the way of life here for the aboriginal people in Manitoba. The animal activists are a part of a long tradition of self-righteous people trying to destroy the aboriginal way of life. They have no understanding or interest in how Native people live.

(The Acting Speaker, Mr. Helmut Pankratz, in the Chair.)

Aboriginal people have great respect for the wildlife and nature itself. We do not harvest for sport. When we kill a beaver or a muskrat, the parts that are left behind are often thrown in the fire so dogs cannot violate them. As I have said previously, we have practised conservation of nature for hundreds of years before the white man came to this country.

The problems of hazardous waste, PCBs, pollution, acid rain, nuclear waste are not the result of Native culture. It is the white culture, the disposable society, that is destroying much of this planet with pollution.

The Native people of this country have been pushed out of the best lands so that the white man can create wealth, much of it artificial. The white society somehow believes that stockbrokers, bankers, court reporters, judges and others who manipulate paper are more

important than those who fish or farm or live off the land. This is a fundamental distortion of values that sees one system as superior and worthy of dominating another. This is at the root of powerlessness that many Natives feel and experience. It is this powerlessness over their lives that explains the tragic situation that so many of them are in. The official explanation then of how J.J. Harper died is not acceptable to Native people and many others who are watching the judicial system. The death and custody of J.J. Harper, and the bungled investigation of the murder of Helen Osborne in The Pas are two well-known examples of incidents when justice was not seen to be done.

* (1440)

As someone who grew up on a trapline and has lived on a reserve for most of my life, I know first-hand the judicial system in this country, that it does not work for the benefit of the aboriginal people. Native people have always treated their elders of their society with great respect. Unlike the white people, it is the spiritual wisdom that counts most in our society, not monetary wealth. The legends of our people told by elders are what counts in our society.

Today I ask the Attorney-General (Mr. McCrae) to review or reconsider a proposal that has been submitted to invite the Assembly of Manitoba Chiefs, because they are close to the situation. They are the most vulnerable in the sense that they get the pressure from the very people who they represent, and they have to live in their communities, on reserves and see the tragic consequences day to day. Every time they wake up they see a tragedy occurring, or seeing people on welfare, the lack of opportunities.

That is part of the reason why the Assembly of Manitoba Chiefs are requesting that they be given additional resources, so that they can advise their members, advise the children, advise the many women, the wives, the single mothers, the children and the elders, so that they can understand the system that has controlled their lives and dictated their lives on a daily basis. They do not really understand the laws that come from outside and seem to have been taped to them every day on how they can function.

We see them out hunting on their traplines, hunting on roads, and yet they are charged with the shooting of a migratory bird, or hunting on a property that they are not supposed to. Yet those are the very promises which were contained in the treaties. I might say that as a result of many years of undermining and also not being part of the democratic process of this country, Indian people have been left out.

As I mentioned in this House before, it was only 28 years ago that the first time the aboriginal people, the Indian people, were given the right to vote, and yet many years Governments have been in place, and they ignored the Indian people in this country. The Indian people who gave up this land so that in return that they may receive benefit, so that they would have the resources, so that they may have education, so that they may be able help and contribute in this society, and yet the aboriginal people, the first citizens of this country,

the aboriginal people who received many people from parts of the world, are the poorest in this country. Why are they poor? Because they have not been given the opportunity, and the promises that were made by Governments have not been lived up to.

It is sad in this country, after constitutional discussions in Ottawa, that we see only two official nations recognized in the country, the French and the English. And yet when the Government, Liberal Government, was in power, and we tried to entrench the Constitution initially, the aboriginal section was left out and also the women. It was only after much pressure from aboriginal groups that we were able to force the Liberal Government back into power, and able to have a section that at least recognizes that there are some aboriginal rights in this country.

When you look back at the history, in terms of development of this country, and how Indian people were treated, the Indian Act which was passed by the Canadian Parliament, it was basically to govern and administer the affairs of the aboriginal people, the Indian people. It was not necessarily to enhance the quality of life of the Indian people. When I look at the debates of those early times and peruse the Hansard at that time, the objective of the Government at that time was to assimilate or to integrate Indian people into society, to make them part of the culture.

When Indian people started to live side by side with the majority of society, we were pushed out into the woodlands, into areas where we no longer had the best lands. We were also promised to be able to pursue our traditional way of life, but yet legislation that was provided for was against the treaties that were made with the Indian people. We are still charged for hunting migratory birds. I know the International Migratory Convention Act is an international agreement. But yet the federal Government, the Department of Indian Affairs, who is our trustee, did not represent the interests of the Indian people or they did not represent the promises that were made to Indian people.

Today, many of our elders question where are those treaties that were promised to us. We see the encroachment or else the restricting of our ability to hunt on many of the lands. We see regulations being imposed on us, gradually restricting or limiting us to hunt, to live the way that our ancestors did. The values and customs and beliefs of Indian people, as I said before, are constantly under attack.

I remember when I used to work for Northern Affairs, evaluating the Special ARDA Program. An evaluation was conducted from a different perspective. He says, were they making money? I was talking to my grandfather who, many times when I was young, went on trapline. He said, did this assistance assist you? When I spoke to him, he mentioned that the program helped him. The way it helped him was that he was provided some money so that he could purchase some traps and purchase a skidoo and go out in his trapline, and to live a life that he lived for many years. It was not based on monetary values, whether he made \$30 or \$100, but rather the opportunity to get on the land and live as he was promised, on a trapline.

So there are many perceptions of values that are quite different from the main norms of society. Of course

as aboriginal people, because we did not participate in a democratic process, we did not have a say on any particular piece of legislation. We may have had an opportunity to present petitions or make our concerns known to the federal Government or may have had many members of the aboriginal people in Parliament and in Legislatures, had we been involved in the democratic process. To unravel the history, the injustices for hundreds of years is very difficult.

* (1450)

When you look at many of the communities, it is a reflection of that. You see poor-quality homes, the social conditions, the chaos and many of the suicides that are experienced on many of those reserves. We see young people being disheartened. There does not seem to be any hope. It is our communities, it is our elders who have provided the leadership, our traditions, our values that they have carried out. It is their constitution that makes us stronger. We have survived that attack and the many scars of battles that we have battled with many of the bureaucrats and the Governments in this country, and we will survive.

(Mr. Deputy Speaker, Mark Minenko, in the Chair.)

Today, we are forging a new generation, a generation that will ensure the continuation of our nation, of our aboriginal people, of our young people. That is why today I speak on a grievance, that this Government should provide some assistance to the people in those communities so that they can prepare for the meetings. They need to understand what the court is, even a Parliament, even the Legislature. We do not have words in our culture for those institutions. There is a great deal of time and explaining to do on what these institutions do and what they represent and what their purpose is. It is not just a matter of the inquiry or commission going into the community and posting a sign up. The following day, the commission is coming in to hear. Let us have your presentations. It has to be done in advance. The Indian people in those communities need resources to do that.

I know the aboriginal commission does not have monies for that. I also realize that they have money to go into the communities and they were able to do some workshops. But without the financial resources, the Assembly of Manitoba Chiefs and many of the Metis communities need resources so that they can advise their Members or elders so that there will be really truly participation by the Indian communities, by the Native communities, so that they will be able to understand the judicial system and their role.

There is a lack of understanding of how the judicial system functions, the role of the RCMP, the probation officers. There needs to be a great deal of work. They need to educate the people who are those commissioners. I am also pleased that another aboriginal person is on that commission, and would be able to experience and hear and able to understand what the Native people are saying. So I make a plea to this Government to look at their overall Budget. I know they have some money that they would be able to share and able to provide some funding.

Tuesday, September 13, 1988

I might advise the Attorney-General (Mr. McCrae) and also the Minister of Native Affairs (Mr. Downey) that the funding we provided was not the total amount of funding.

Some Honourable Members: Oh, oh!

Mr. Deputy Speaker: Order, please.

Mr. Harper: I was just advising the Minister of Native Affairs and also the Attorney-General, during our negotiation and discussion of the justice inquiry, the \$300,000 or \$350,000 was not the total commitment that we made. It was not for a year and a half either. We had discussions with the Assembly of Manitoba Chiefs to provide some funding so that they can participate in the inquiry. At that time, they were to forward a formal proposal to us which stood to look at that proposal.—(Interjection)—The Attorney-General says show me. I can get the discussions and also have the aboriginal people say what we had in negotiation at that time. I am sure that during the election, if we had provided \$1.4 million and \$1.5 million, they would have had something to say about it during that period of time.

I must say that we were very serious and also very concerned with the aboriginal system and, even at that time, he says very stingy. Mr. Deputy Speaker, the Members opposite do not understand what the aboriginal people are saying. They want aboriginal involvement, truly an involvement by communities so that they can go into the communities and work with the people in those communities. We seem to fund institutions that we seem to control, but there has to be some trust and some confidence given to the aboriginal people. There has to be some confidence and some trust by this Government. The aboriginal people really truly want to participate, and they want this Government to be able to provide them with some funding so that they can go into the communities. I do not know how much clearer I could put it forward, Mr. Deputy Speaker.

I am willing to assist the Attorney-General (Mr. McCrae) and the Native Affairs Minister (Mr. Downey) and set up a meeting for the chiefs so that they can start negotiating for this funding. As a matter of fact, this morning a presentation by Chief Louis Stevenson said that he is willing to allow the commission to continue. At the same time, they wanted to ensure that the funding would be in place for community meetings and certainly there is ample time for this Government to consider that request. That is why today I rise in grievance of the grave concern of the aboriginal people, the injustice that has been done on aboriginal people. I hope this commission will write some recommendations and some answers to this Government.

I know that the commission may provide some new programs or way of dealing with things but it is up to the Government, once the report is completed, to implement the report. We will see what this Government will do, because what they have done is basically provided some funding so that the inquiry will go, but

it is the actions of this Government on the recommendations of the commission. Many of those recommendations may be not implemented, but today I rise on this grave matter concerning the injustice to the aboriginal people in this country for many years, hundreds of years. It is about time that the justice is being brought and seen to be done in this province and this country. Thank you, Mr. Deputy Speaker.

* (1500)

Hon. James McCrae (Government House Leader): Mr. Deputy Speaker, just with reference to the motion I moved earlier, a reminder for all Honourable Members that Community Services is still in Room 255 and Industry, Trade and Tourism is still in the Chamber.

(Mr. Speaker in the Chair.)

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

* (1510)

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—COMMUNITY SERVICES

Mr. Chairman, Harold Gilleshammer: I call the committee to order. On line (e) Financial Services: (1) Salaries \$611,700, shall the item pass?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Chairman, I have a package and also some other information that the Members had requested I believe when we last met. The package includes a copy of Newsline newsletter. This newsletter is designed to provide information on departmental programs, services and initiatives. It is produced and distributed to departmental staff and external agencies on a quarterly basis. The approximate cost of production, including editing, design, layout and printing is \$825 per distribution or \$3,300 annually.

Also, the Member for Ellice (Ms. Gray) asked for a listing of grants to external agencies and I have a copy for each critic of that information as well. I believe that is everything they wanted at the moment.

Mr. Chairman: On line (1) Salaries—the Member for Ellice.

Ms. Avis Gray (Ellice): Mr. Chairperson, in the Estimates on Thursday, September 1, the Minister (Mrs. Oleson) had stated that she was prepared to table her department's policy and/or guidelines on confidentiality. Does the Minister have that information with her today?

Mrs. Oleson: Mr. Chairman, we can provide that at the next sitting. We do not have it with us today.

Ms. Gray: Mr. Chairperson, again, in looking at the Estimates, the Minister of Community Services (Mrs. Oleson) gave us a fairly detailed breakdown of some of the reviewing and then the reasons for the review of The Social Services Administration Act. In her comments about what would be reviewed, there would appear to be somewhat of an overlap between the review that is going on with The Social Services Administration Act and the review that the Minister has announced that will be conducted by Mr. Harry J. Wiens and who will be reviewing Winnserv. Could the Minister confirm if, in fact, both reviews will be attempting to examine the same issues?

Mrs. Oleson: Mr. Chairman, no, they do not overlap, but the findings of the Winnserv review will be taken into consideration when we are considering The Administration Act.

Ms. Gray: Mr. Chairperson, if I read the news release correctly from the Minister regarding the Winnserv review and if I read what was tabled in this House in Estimates regarding reviewing the social services, it would appear that certainly that information and review of staff training and upgrading is going to be looked at in both reviews, and that policies and procedures in regard to Winnserv and social services as well are both going to be reviewed. I am wondering again, is there going to be some meshing or overlap of the Winnserv review and the social services review. Is one going to follow the other?

* (1520)

Mrs. Oleson: The particular one, the specific to Winnserv, its recommendations will be considered in relation to The Social Services Administration Act. But the Member should recognize that that Act deals with more than the MR Program. It deals with other social services, including family violence and excluding things like day care. But it covers quite a large amount of services. The Winnserv review is specific to that particular agency.

Ms. Gray: I am aware that The Social Services Administration Act certainly deals with the entire residential care system. What specifically in The Social Services Act deals with family violence?

Mrs. Oleson: That Act gives us the authority to pay funds in the family dispute area. But that is one of the reasons for the review of the Act, that it is so all-encompassing that we need to review it to make it more specific.

Ms. Gray: In the review of The Social Services Administration Act as well, the Minister had indicated that there would need to be a review of the split in jurisdiction, and the relationship between the Department of Health and Social Services. Would she be able to elaborate for us exactly what the split in jurisdiction is and what the difficulties are in the relationship?

Mrs. Oleson: It just recognizes that there are two departments, but they are interrelated in many services.

Ms. Gray: Could the Minister indicate to us if there are any difficulties with the issue of jurisdiction in relation to services delivered by the Department of Health and Social Services?

Mrs. Oleson: We are examining that to see if there are any specific difficulties. That is part of the review that is going on between the two departments.

Ms. Gray: Could the Minister indicate to us, since part of that relationship between the two departments, I would assume specifically in relation to residential care will be reviewed, will this review be soliciting information from interested parties such as the Canadian Mental Health Association and the Mental Health Directorate who, of course, would have group homes for the mentally ill? Will they be soliciting information from other groups who would have a particular interest in the aged and infirmed group homes? Could the Minister indicate what composition or from whom this information will be solicited?

Mrs. Oleson: As I indicated before when we discussed this, we are in the preliminary stages of this review. Her suggestions can be taken, of course, of having input from various groups. But as I said before, we are in preliminary stages of this review. I also should remind the Member that technically we are not on the line that just deals with The Administration Act. I believe we dealt with it at some length under Research and Planning. Now we are dealing with it under this line.

Ms. Gray: My questions are in relation to all Internal Audit functions of the department. I would assume that at some point in time, and certainly in the past, that the Internal Audit has been involved with various reviews in regard to residential care facilities. I would ask the Minister of Community Services, she has indicated that her department has already initiated a number of measures to improve the care of group home residents. Certainly, if that is the case, we are please to hear that. Would the Minister please tell us what those initiations are in terms of improvements to group homes?

Mrs. Oleson: We have already implemented the policy of having parents being involved in all the plans made for their children in these residences. We have initiated a review of training, which I am due to have the report at the end of this month. So things are ongoing even while this review is taking place. It is not stagnant.

Ms. Gray: I am certainly pleased to hear that in fact the training of group home employees is being looked at. We commend the Government for that. Would the Minister indicate to us who in particular in her department is doing the review of the training of staff?

Mrs. Oleson: My Assistant Deputy Minister is doing that.

For the Member's information, I could read to her a copy of a letter that was sent to the operators of community residences after the death of Russell Smith, outlining some of the things that should be done.

Specifically, "I am asking that your board review the following areas and take steps to reinforce them with

your staff. (1) Review procedures related to resident bathing. This should begin with a discussion with regional staff of all residences to determine which individuals could be at risk during bathing and what steps should be taken to minimize danger to personal safety. Where supervision is indeed required, less intrusive measures such as voice monitors and same gender supervision should be implemented. (2) Review resident files to ensure that all pertinent data, particularly that related to medical and safety issues, is current. Ensure that all staff are familiar with resident file data. Review emergency procedures and ensure that all staff are familiar with them and with emergency phone numbers—fire, ambulance and police. (3) Review medication documentation procedures. It is particularly important that all prescribed medication changes are documented immediately and clearly. (4) Review status of staff training in emergency first aid. Where necessary, make arrangements for staff to receive basic training in this area. (5) Ensure that no major changes occur in resident programs without prior discussion with family members and the regional Community Service worker or case manager. When family are unable or unwilling to participate in discussions, inform them of major program changes. (6) Ensure that families are notified of significant events such as program reviews, medical treatment and areas of potential risk.”

Ms. Gray: Could the Minister indicate the date of that letter and who signed the letter?

Mrs. Oleson: It was signed by staff.

Ms. Gray: I am sorry, I did not hear the answer.

Mrs. Oleson: It was signed by one of the staff members.

Ms. Gray: Could the Minister indicate to us when the letter was sent? I am just curious whether it was sent by previous administration or under the auspices of this present Minister.

Mrs. Oleson: It was sent by the previous administration in response to the problem. When I came into this ministry, I reinforced that policy.

Ms. Gray: Could the Minister indicate to us if a copy of that letter was sent to the Community Services staff in the region? Further to that, given the fairly explicit instructions to community residences, who then ensures that in fact what is in the letter is actually followed through by the community residences?

Mrs. Oleson: The letter was sent to regional directors and coordinators to be sure that everyone was aware of all the policies.

* (1530)

Ms. Gray: Again, just to clarify: Whose responsibility is it to ensure that in fact the community residences are complying with the recommendations and procedures as outlined in the letter?

Mrs. Oleson: The regional directors and program directors are responsible.

Ms. Gray: The letter also indicated that first-aid training should, where possible, be provided to the group home employees, and that is certainly being mentioned as well by residential service providers as a need. Is that one of the issues that is being looked at in terms of training, and I guess I am wondering, are there staff already who are hired by Community Services who have that first-aid training and would be available to provide the training to the group home employees?

Mrs. Oleson: Most of the staff in group homes are trained, and as new staff come on, they receive the training.

Ms. Gray: Do they receive first-aid training? Is that mandated or is that part of the essential training when someone is hired in a group home?

Mrs. Oleson: It is mandated, and they receive the training when they come on staff.

Ms. Gray: We would love to hear from the Member from Arthur (Mr. Downey), what he is smiling about, but however. Could the Minister indicate to us— go ahead.

Could the Minister indicate to us—she mentions that all major decisions affecting client care should be made in consultation with her department and with the resident’s family—what would be the areas that would be considered major decisions? I am asking that question so that in community residences, obviously there must be some day-to-day decisions which the community residences must have the independence and the ability to make on their own. Is there some criteria or framework with which the community residences are aware as to when they consult with Community Services workers and with the family?

Mrs. Oleson: This would involve major changes, changes in medication or programming, or activities which the person was going to take part. General day-to-day living would not have to be communicated, or asked permission for, just mainly this is for major changes that would involve the client.

Ms. Gray: In the study that Mr. Wiens has been commissioned to do, will he have access to any of the earlier investigations, or any of the information that was garnered on client safety?

Mrs. Oleson: Yes, he would have access to that.

Ms. Gray: The Minister had indicated earlier that this Client Safety Study was conducted by the director of Residential Care Licensing. Did he actually conduct the review or actually was it Pat Benson who was responsible for that?

Mrs. Oleson: It was under the authority of the Assistant Deputy Minister.

Ms. Gray: Could the Minister indicate which staff person did the review, the client file review?

Mrs. Oleson: It would have been regional case workers, and headed by the assistant Deputy Minister. I must

remind the Member that we are not on that line in particular, and the assistant Deputy Minister is not able to be here today.

Ms. Gray: Could the Minister of Community Services indicate to us whether any other internal audits are planned for in this fiscal year, other than what we have discussed in the last few days?

Mrs. Oleson: The revenue accounting is one that would be reviewed, and there are selected audits done as they are required to be done for some particular agency. Those are done just when they are required.

Ms. Gray: Could the Minister indicate to us if any reviews, audits or evaluations have been done with a community agency. The one I am thinking of is the Manitoba Council for Rehabilitation Workshops.

Mrs. Oleson: They are not participants but they have been interviewed from time to time.

Ms. Gray: My question was has any audit been done on their particular organization and the kinds of services they provide as an umbrella organization?

Mrs. Oleson: No.

Mr. Chairman: On item (e)(1) Salaries—pass. Item (e)(2) Other Expenditures \$145,300—the Member for Ellice.

Ms. Gray: Mr. Chairperson, under the Operating Expenditures we notice a decrease in the Communication line. Could the Minister explain that decrease?

Mrs. Oleson: It reflects what was more accurately spent last year, or reflects it more accurately. Maybe I should have said it that way.

Mr. Chairman: Item (e)(2)—shall the item pass?

Mr. Jerry Storie (Flin Flon): There are two, item (c) and item (e), where there are recoveries from Canada. Could you just explain how those recoveries come about? Is that part of the—hopefully by cheque, and it is still in the mail. Is our share of the administrative cost recovered through CAP?

Mrs. Oleson: Yes, part of the administrative cost is recoverable from CAP.

Mr. Storie: In various sections, then. Mr. Chairperson, I am wondering why that Communications, for example, would not have any recovery.

Mrs. Oleson: It is non-shareable under CAP. It is part of the agreement.

Mr. Storie: I am wondering whether a case has been put to the federal Government that communications, particularly the preparation of public materials, would not be shareable. I know that in many other federal - (Interjection)- If the Member for Arthur (Mr. Downey)

wants to get on the speaking list, I am sure the chairman of this committee can accommodate him.

There are many similar cost-sharing agreements with the federal Government where communications are in fact cost shared or some portion of them. I am wondering if the Minister has considered or will consider approaching the federal Government to include communications costs in the deal.

Mrs. Oleson: They are not picked up under this appropriation. The CAP Agreement mostly deals with programs. I have no difficulty asking them to cost share more with us.

Mr. Chairman: Item (e)(2), shall the item pass?

* (1540)

Mr. Storie: I do not mean to delay this unduly, but I want to know where I sit for some of the other sections.

Does this department negotiate directly with the federal Government for cost recoveries on programs that currently are not cost shared?

Mrs. Oleson: Yes.

Mr. Storie: So that if there are services later on in the Estimates in this particular department where there are programs delivered perhaps "on reserve" or in conjunction with Native agencies, the negotiations go on through this group?

Mrs. Oleson: The "on reserve" is 100 percent. It is "off reserve" where we negotiate the agreement.

Mr. Storie: I am wondering whether there are negotiations currently going on for new areas of service where there may be some willingness to, either bilaterally or on a tripartite basis, deliver services. Could the Minister indicate whether there are any new negotiations going on for any area of service that might fall under Community Services?

Mrs. Oleson: Yes, there are. There are about 25 items that are currently being looked at by staff. As I understand the CAP Agreement, it is never static; there are always negotiations going on for one program and another, and yes, at the moment there are some under negotiations.

Mr. Storie: Of course, that leaves us all with a thirst to know what exactly those negotiations entail.

Mrs. Oleson: One thing that is under negotiation is the drug and alcohol subject and off-reserve residency is also another item that is being studied, day care for reserves, and also—

Mr. Storie: Just before the Minister proceeds, perhaps the Minister could give a little more detail or undertake to provide, in some sort of capsule form, what each of the issues are being negotiated here. For example, the second one was an off-reserve residence. For what purpose? Drug and alcohol abuse, a detox centre?

Tuesday, September 13, 1988

Mrs. Oleson: The off-reserve residency has reference to all types of programs that people off the reserve take part in. I could give the Member a listing of some of these things that are under negotiation at another time if he wants one.

Mr. Storie: That would be useful. I would appreciate perhaps if we just go through the list. I am interested because I know currently the band at Nelson House, for example, is building a medicine lodge. Part of the planning for that lodge included a number of bed spaces for detox. I know that they are trying to work out an arrangement with, I believe, Community Services, perhaps the Department of Health, in Thompson, to get provincial funding for those spaces. I am wondering whether this would be the group. It may not be Community Services. It may in fact be Health that does the negotiations. It is important for us to know what negotiations are taking place.

Mrs. Oleson: It would be the Alcohol Foundation under the Department of Health that we believe would be doing that negotiation on that particular subject.

Mr. Storie: Perhaps you could continue then with No. 3.

Mrs. Oleson: Another couple of areas that are under study or negotiation are mental health and also certain services for children. As I said, I could undertake to give the Member a fuller list at another sitting.

Mr. Chairman: Item (e)(2), Other Expenditures. Shall the item pass?

Mr. Storie: I am not sure whether I heard the Minister correctly. Did she mention day care for Natives as part of that, one of the items being discussed?

Mrs. Oleson: Yes, day care on reserves.

Mr. Storie: Are any of these negotiations nearing completion?

Mrs. Oleson: The day care on reserves was just announced by the federal Minister. So it is not nearing completion of course because the legislation has not passed the House of Commons at this point, but that is one of the areas that will be under negotiation.

Mr. Storie: Given that the province at some point would be expected to contribute either an equal share perhaps with the federal Government or a share with other agencies, could the Minister indicate whether there was consultation with the province prior to the introduction of the legislation by the federal Minister?

Mrs. Oleson: Yes, I made representation to the Minister that Native day care be part of that package, and I have on various occasions talked to the Minister about the whole subject.

Mr. Storie: Well, Native day care obviously is an issue that is important to me and to many of the communities in my constituency in northern Manitoba. I am

wondering whether the Minister could table any position that she has taken on behalf of the Government with respect to Native day care. Could we see what position Manitoba took to the table when negotiations began?

Mrs. Oleson: Yes, I indicated that we were not clear in the first announcements that Natives would be included, and I indicated that we were concerned that they be included.

Mr. Storie: Well, we all appreciate that the Minister would want them included. I think that is a very defensible position. I guess my question is it is not enough to give—I am assuming that the Minister did not simply say, well, let us include Native people. I am assuming that, with departmental support, she had developed with her colleagues a policy or a proposal which would show how they were to be included, who was going to do the supporting, who was going to pay for it, how it was going to be administered. I am assuming that we did not drop a note saying, "Dear Jake, include Natives." Could we have the details?

Mrs. Oleson: The Member will recall that this took place very shortly after I took office. I expressed the feeling that there should be some attention paid to Native day care. I was of course interested that the federal Government pay all of it, but the announcement came out. There is \$60 million included in it toward Native child care, and we were very pleased with that.

Mr. Storie: I recognize where the federal Government and certainly the province are entering a new policy area, and I think a \$60 million contribution is certainly a step in the right direction. I am sure it was seen as such by Native groups and agencies that are looking after child welfare in Manitoba. I guess the dilemma is that we have not seen the Minister table the Manitoba position with respect to the overall provincial plans for day care.

* (1550)

We have \$60 million apparently available for Native day care. We are in the same situation. We have done no planning. We have not tabled a proposal that we can call a Manitoba proposal. Are we going to see one? Are we going to take the initiative? Are we going to say, here is what we see as in the best interest of Natives or are we going to perhaps, more importantly, work with groups like MKO and AWASIS and formulate a made-in-Manitoba policy and submit it before we are required to accept something that is a federal initiative and perhaps not all what Manitobans or Native Manitobans would see as the most desirable?

Mrs. Oleson: The Natives are very interested, and expressed an interest to me at a meeting I had some time ago. They naturally would want input. I remind the Member that the legislation has not passed, and we will be negotiating. You cannot negotiate an agreement unless the legislation is passed. I think, maybe, the Member should be aware of that, having been a Member of Cabinet.

Mr. Storie: I am aware of the fact that before the federal Government flows the money, the legislation is

going to be in place. I have, unlike the Minister, done lots of negotiating. I know that unless the Minister formulates a position, she is going to be negotiating from a position of weakness and not strength—a position of weakness, not strength. What we need from this Minister is a day care plan for Manitoba, a proposal for the federal Government to review which shows how Manitoba wants to spend it. If we wait until other provinces, the federal Government make their decisions about how the \$60 million is going to be spent, if we wait until then, we will have no hope of formulating a made-in-Manitoba policy.

The Minister is missing an opportunity if she does not start the initiative, if she does not take the initiative and go to northern groups, the child caring agencies and say, what is going to work for Manitoba and how can we tap into it? We do not have to wait for federal legislation to pass to develop a Manitoba policy. That is absolutely true. So is the Minister going to start working today to develop that policy?

Mrs. Oleson: I think the Native groups would be rather offended if we said this is going to be the policy of this Minister and this is what you are getting.

The Native groups want to have some input in this. I have encouraged them. I am meeting with them, not later this month, into next month—the meeting has been changed—to hear their views on it. The Member says, would I start? It has already started before, long ago, the plans and preparations for negotiating with the federal Government. When they are at liberty to start their negotiations, they will send a team out and we will do it. But the preparations are already being done. But I do think that it would be rather foolish for us in this province to say to the Native people, here is the day care program that we want you to have. The federal Government has said that they will put \$60 million into it. I certainly believe that the Native people will want to have some say in that.

Mr. Storie: I thought that is what I have been recommending the Minister do, when I say the Minister should formulate a policy. I meant that she should do that in consultation with all the people.

Mrs. Oleson: That is what is being done.

Mr. Storie: I had asked earlier, whether in fact there was any proposal, whether you had developed any guidelines, any scenarios for a program to meet Manitoba's needs with specific reference to the \$60 million that is available for Native day care. I was told that, no, it was ridiculous to expect that because the federal Government had not passed the legislation. What I am asking for is a commitment on the part of the Minister to work with Native groups to develop a proposal in advance of any final federal commitment to flow dollars under this program. Will the Minister undertake to do that?

Mrs. Oleson: Mr. Chairman, I have undertaken and am meeting with Native groups, and that will be one of the topics of discussion. I wrote to Honourable Jake Epp very soon after I took office to support an

amendment to the federal plan for Native child care, as well as training and overall other things that could be available to the Natives with regard to day care.

The Native people want self-government. The Native people want to have a say in how these things are done and that is why I am undertaking to meet with them and discuss with them their plans for day care, and specifically with the use of the federal funds. I am not going to say to them, this is what you will do with the federal funds. I am going to consult with them and discuss with them what they would like. They have pointed out to me, and quite rightly so—and the Member of course is aware of this—that some of the circumstances on reserves are not exactly the same as a day care in some other parts of the province. They will have their unique input into that and that, of course, is what we want.

Mr. Storie: I appreciate that the Minister has a meeting, which has now been put off and is going to be a month down the road, to discuss. What I am asking from the Minister is: Is she putting forward any proposals for a starting point for discussions? For example, have you, in conjunction with the federal Government, determined how this money is going to flow? Is it going to flow to individual members of bands? Is it going to flow to bands themselves? Is it going to be a tripartite system or a bilateral system of funding? Is the provincial Government going to fund any portion of the costs if they are on reserve, if the facility is off reserve? Are they going to support Native communities? Is there going to be some sort of program area which this program will apply to? Is there going to be an urban Native day care policy versus a rural reserve policy? Are any of those questions being asked? Is the Minister developing in her own mind a direction around which discussions can occur, or are we going to have a meeting where it is sort of fly by the seat of your pants and everybody throws in a good idea?

An Honourable Member: It ended on April 25.

Mr. Storie: Apparently not.

Mrs. Oleson: Mr. Chairman, the guidelines are in preparation and have certainly been in my mind, and some are on paper. I do not think the Member needs to be too concerned that there is nothing being done. The meeting he refers to that the meeting has been put off, by mutual agreement, the meeting date has changed. I have indicated on many occasions my willingness to meet with the group and for different reasons, of course, the meeting has had to be postponed. I did not put the meeting off. It is a meeting that is going to go on and these sorts of discussions will take place. This will be one of the topics at the meeting.

Mr. Storie: Mr. Chairperson, the Minister seems to have forgotten that my first question was are there any guidelines? Is there a policy in place—

Mrs. Oleson: They are being developed.

Mr. Storie: —and will the Minister table it? Now circuitously we find out that, yes, there in fact may be

some thinking going on, and we are gratified to hear that. The question is will the Minister table the draft policy, the draft guidelines? Can we, as a committee, have a look at the plans that the Minister is preparing to establish a basis for discussion?

* (1600)

Mrs. Oleson: Mr. Chairman, the guidelines are being developed and it would be inappropriate to be tabling guidelines that are in the course of being negotiated. When the time is appropriate to table information, it will be tabled.

Mr. Storie: Perhaps the Minister has misconstrued my questioning. I certainly was not intending to be adversarial in this. I do represent a northern riding, and have probably by circumstance only, a better understanding of some of the needs in terms of day care in northern Manitoba, than some others. The reason I ask is because perhaps Members on both sides of the House in Opposition would have some reasonable thoughts on how the province's day care policy with respect to Natives might be brought forward. Certainly, the input of northerners and other groups is going to be paramount, but I simply asked because I felt it is an important policy area, and I am sure the Minister wants all Members of the Legislature and individuals in Manitoba to have some input. This is not a negotiation package that I am asking for. We are not talking about sitting down and finally determining how much, and who gets what. We are talking about policy development, and in the interests of developing a policy that works, I am simply asking that we have access to the parameters for those discussions to be helpful, I can assure the Minister.

Mr. Chairman: On item (e)(2) Other Expenditures, shall the item pass? The Member for St. Johns (Ms. Wasylycia-Leis).

Ms. Wasylycia-Leis: The answers of the Minister on the questions posed by my colleague, the Member from Flin Flon (Mr. Storie), begs a number of questions and answers, many of which have been asked before, and answers have not been forthcoming.

The Minister has indicated that she is quite pleased that a certain percentage of the National Child Care Funds have been set aside for child care on reserves. Of course, we are delighted as well with that indication. In fact, I think it should be pointed out that it was the previous administration that raised this matter with the federal Minister, Mr. Jake Epp.

In fact, I have with me a letter signed by the former Minister of Community Services, the Member for Logan (Ms. Hemphill), in a letter dated February 23, where she raises with Mr. Epp serious concerns about the fact that the National Child Care strategy to that point, to that date, had made no provisions, had made no mention of meeting the child care needs of Native children on reserves. So I think it is important for the record to clarify that as recent ago as February 23, there was certainly no strategy or policy on the part of the federal Government to consider this very

important matter, and that it was on July 13, 1988, when Mr. Epp announced additional funds for the child care system, additional funds that in effect correct some miscalculations and errors in the planning to date, where it was made mention of \$60 million allocated to a new initiative for Indian child care.

I think we are pleased that the Minister has written to Mr. Epp specifically on that matter. I am wondering—my first question to the Minister would be: Is she prepared to table her correspondence to Mr. Epp on the specific matter of the allocation of the \$60 million for child care initiatives on reserves?

Mrs. Oleson: It is really unnecessary to table that at this point. The money was put into the plan and its private correspondence. I do not table private correspondence in the House.

Ms. Wasylycia-Leis: I think all of us would be interested to know what kind of representations the Province of Manitoba has made to the federal Government, to the federal Minister responsible for child care, around this very important issue. She may feel it is a private matter. I think the people of this province, in particular the original peoples of this province, would want to have for public record the role that this Government has played in terms of the allocation of that \$60 million.

Could the Minister indicate what groups she has consulted with that led up to her consultation or her communication with the federal Minister when those consultations took place, and what recommendations she received from Native groups and individuals in Manitoba society?

Mrs. Oleson: The Member should recall that we are not on the Day Care line of the Estimates. Perhaps it would be more productive if we discussed these items under that line.

Ms. Wasylycia-Leis: The Minister will recall that on numerous occasions, under appropriate lines in this Estimates to date, questions have been raised about this Government's planning and representation to Ottawa on a very important matter, that being the \$6.4 billion National Child Care Strategy and the adequate representation of Manitoba in securing its fair share of those funds and in influencing the direction of that program. To date, we have heard promises for tabling of Manitoba's plans. In fact, the Minister, when last asked, said she would table Manitoba's plan, Manitoba's negotiating position, as soon as possible. We are still waiting. Today, we hear that she has in fact written on a specific aspect of that plan but will not table the correspondence.

This discussion today begs the question of what representation Manitoba is making to Ottawa on its negotiating position regarding the federal Child Care Strategy. I do not think it is helpful to us to one day hear there is no plan, to another day be told the plan that is in is the plan that was submitted by the previous administration, today to be told that there is part of a plan in.

Could the Minister end the concerns in this area and help us all in terms of coming to grips with Manitoba's

continuing leadership around the child care issue and table all submissions and all representations and our negotiation position with respect to the National Child Care Strategy so we can put to bed, once and for all, the growing concerns among the Manitoba population that there is, in fact, no position, that we are, in fact, way behind in terms of possible windows for making Manitoba's position, and clarify this so that we all can feel confident that Manitoba's leadership position is being continued?

Mrs. Oleson: I can assure the Member that plans are in the works. Negotiations will take place at the appropriate time; representation has been made by myself to the Minister, Mr. Epp, by telephone, in private conversations, in private letters. I think the worry is mainly in the mind of the Member for St. Johns (Ms. Wasylycia-Leis). The work on day care, both provincially and with respect to the federal plan, is ongoing.

* (1610)

Ms. Wasylycia-Leis: I am glad to see the Minister did not use the words "ulterior motive" in today's proceedings after events in the House today.

However, I want to assure her, yes, there is worry in my mind, just as there is worry in the minds of day care providers and parents and communities right across Manitoba. We are all very worried about losing ground in this important field, about going back in time, about missing opportunities for negotiating with Ottawa about, as my colleague for Flin Flin (Mr. Storie) said, negotiating from a position of weakness rather than strength.

I would ask once more, since the Minister has indicated that Manitoba has made representation to Ottawa around the \$60 million fund for child care on reserves, if she can give us the specifics on that representation, and if she could, since it implies it must be part of, one would hope, a bigger package, a broader strategy—could she table, even if it is not a finalized or official or submitted to Ottawa—could she share with us Manitoba's draft position, as my colleague from Flin Flin has also requested?

Mrs. Oleson: The representation that I referred to with regard to the Native funding for the federal day care plan that I referred to was my communication with the federal Minister urging him to include funding for Native day care.

As I said to your colleague, we cannot be in a position that we are dictating to the Native people exactly what negotiations will take place and exactly what will be done. I had told your colleague that we are working with the Native people. We will be discussing it with them at an upcoming meeting. All these things will be discussed and negotiated. As I repeat again for the umpteenth dozen time, the negotiations with the federal Government have not started because the legislation has not passed.

Ms. Wasylycia-Leis: On the latter issue of the \$60 million allocation for child care on reserves, could the

Minister indicate if she believes that \$60 million out of \$6.4 billion is a sufficient fund to meet the needs of our original peoples on reserves?

Mrs. Oleson: We have not gotten to the point, of course, as I remind the Member, for negotiating how much Manitoba will get; but I say, and I do not say it facetiously, there is never enough money. We could always do with more money for these projects.

Ms. Wasylycia-Leis: I am afraid I was not asking about—it is not apparent to us what share Manitoba will get of the \$60 million, and that certainly is a question I have and I would like an answer to, just as I wanted to know precisely what representations were made around the \$40 million battered women initiative.

My question was, given that the Minister responded to the federal Minister around this \$60 million fund for child care on reserves, did she indicate at all in her correspondence if it was—did she just accept the figure? Did she indicate that it was insufficient? Did she raise concerns about whether or not it would adequately meet the needs of Native people in Manitoba, let alone all of Canada? Did she indicate whether or not \$60 million out of \$6.4 billion was sufficient share of this fund for the original peoples of this country.

Mrs. Oleson: Manitoba's share will be the subject of negotiations and so we do not have a figure of what Manitoba's share of that \$60 million will be. That will be the subject of negotiations and the Native people will want to have input, of course, into those negotiations. I also remind the Member that Native people—Native projects rather, will be a priority on the \$100 million Child Care Initiative fund, as well as the \$60 million. So there will be funding in that area, too, and of course that will be something that the Natives will want to have input on how that should be spent and discussions will take place on that.

Ms. Wasylycia-Leis: Again, I was not asking about Manitoba's share, although it would be nice to know, and I am sure more and more Manitobans will be asking the question. I was asking the Minister if she felt—if her Government and her department have any views on the share of—on the proportion going to meet the needs of child care on reserves, whether or not \$60 million out of \$6.4 billion for all of Canada is, in her view, the view of her Government, an adequate share in whether or not—and what representation on that proportion and that percentage she communicated to Ottawa.

Mrs. Oleson: I remind the Member that no province knows the share of the \$60 million and I would say again that naturally we would like to have more money. We will have to work within the funds that the federal Government is making available. We would all, of course, in many projects, not just child care but others—you could always point to some place where you could use more money and that could go on ad infinitum. But when you are given a sum that you have to work within, then you do your best to use it to the best advantage and that is what we will be doing.

Ms. Wasylycia-Leis: Again, my question has not been answered. I have asked the Minister, since she has indicated she has made representation to Ottawa around the whole question of child care on reserves, if in her view \$60 million for all the Native people across the country was a sufficient share of the \$6.4 billion program put in place by the federal Government?

Mrs. Oleson: As I indicated before, we could always use more money. It is never enough, but it is something that the federal Government has not done before and I think it is an admirable initiative they are taking—to recognize the need for child care on reserves and put that funding in. As I said before, we will negotiate to get our fair share of those funds and we will use them to the best advantage we possibly can in conjunction with the expressed desires and advice of the Native community.

Ms. Wasylycia-Leis: The Minister has said that she has consulted with, is consulting with, will consult with Native groups in Manitoba around the allocation of child care funding to meet the needs on reserves and the Native community in general in Manitoba. Could she indicate what groups she has met with, is meeting with, will meet with and what the results of the consultations to date have been?

Mrs. Oleson: I indicated I would be meeting with the Coalition of Chiefs later this—I was going to say later this month, excuse me. We had to change that meeting by mutual agreement. It is in October now that we will be meeting and that will be one of the things on the agenda.

Ms. Wasylycia-Leis: Has the Minister communicated specifically with the umbrella group she referred to or any Native groups in Manitoba with a specific request for representation, views, policy paper on this specific question?

Mrs. Oleson: Yes, when I met with the Coalition of Chiefs earlier this summer, I indicated to them that I would like position papers on the matters to be discussed at the meeting, and they are going to be forwarding that to me before the meeting in order that we will have time to look at the papers and have a meaningful discussion when we actually get to the meeting.

Ms. Wasylycia-Leis: To seek clarification, does that mean the Minister has specifically requested the aboriginal community to submit proposals, recommendations around the question of how this fund should be allocated and what the priorities of the communities are with respect to child care on reserves, and off reserves?

* (1620)

Mrs. Oleson: They will be making their own representations to Ottawa, but at a meeting that I held with the Coalition of Chiefs earlier this summer, they indicated to me an interest, of course, in this area, and they have agreed to present to me any papers on any

topic they wish to discuss. I would assume that this will be one of the ones that they will wish to discuss at the meeting because they raised it with me at the meeting in the summertime. So this is on their mind, I know, and they indicated to me at that time that, of course, they wanted to have the major input to Ottawa on this subject.

Ms. Wasylycia-Leis: Can I take it from that then that the Minister, or this Government and/or this Government has not initiated a request specifically asked for policy proposals, recommendations around child care needs facing aboriginal people on and off reserves?

Mrs. Oleson: They are putting forward policy positions, and we will be taking a look at them and there will be topics of discussion when we meet.

Ms. Wasylycia-Leis: I am still not clear about what role the Government is actually taking around seeking advice and input on this very important matter. Could the Minister indicate if she is prepared to specifically request the input of our Native community into the development of a policy that would be included in Manitoba's official position, negotiating stance that will go to Ottawa, with regard to the national child care strategy?

Mrs. Oleson: As I told the Member, the Coalition of Chiefs indicated to me that they would like to do the negotiating with Ottawa, and we will certainly ask for their input to us so we are all on a coordinated approach, but I am not going to say to them, this is what we are going to negotiate for you. The Native people want to have input into the program, and I appreciate, of course, their right to do so.

Ms. Wasylycia-Leis: I am not suggesting for a moment that the Minister or this Government dictate to the chiefs of this province what to recommend or what to ask for with respect to federal funds around child care on reserves. I am asking if the Minister has actively sought out the advice, the recommendations of the policy proposals from Native groups in our society. Has she asked for advice around this matter, whether it relates to the federal Child Care Strategy or her own day care policy?

Mrs. Oleson: The Member obviously has not been listening when I have said that there will be positions put forward for our meeting. I also would remind her that we have a Day Care Task Force which is going to look at the aspect of child care in the province. One of those aspects will be Native child care.

Ms. Wasylycia-Leis: With respect to the federal Child Care Strategy and her commitment to raise these issues at an upcoming meeting, can she indicate for us what work is being done to consult with and seek the advice of Native people off the reserve, particularly urban Natives in Winnipeg?

Mrs. Oleson: Yes, I have met with the agencies that would be involved. I have also reminded the Member that the task force will look at that issue.

Tuesday, September 13, 1988

Ms. Wasylycia-Leis: Has the Minister made any representation to her federal counterpart, to encourage Mr. Epp to look at the question of funding to meet the child care needs of aboriginal people off the reserve as well as on the reserve?

Mrs. Oleson: The Special Child Care Initiatives Fund will help address that as well. Of course, there are other programs.

Ms. Wasylycia-Leis: Since the Minister has made representation to Ottawa, although she will not table that communication regarding the allocation of federal child care funds for aboriginal children, could she indicate if, at any point, she wrote to the Minister and raised the question of adequacy of \$60 million for the entire "on reserve" population out of a total of \$6.4 billion, and whether or not she raised, at any point, the question of encouraging the federal Government to meet the needs of aboriginal people "off reserve"?

Mrs. Oleson: As I remind the Member, I told this committee that not long after I assumed office, I did make representation to Ottawa, encouraging the Minister to include funds for Native child care in his overall day care strategy.

No province knows what they are getting out of that \$60 million at this time. We do not know in Manitoba, nor do other provinces, because it has not been determined. The negotiation has not even taken place. We have not been given any sum of allocation that I could write letters to Mr. Epp about. When that suggestion or funding recommendation is made to us, then I will determine whether it is adequate for the needs of Manitoba and whether or not I should, at that time, make representation to Mr. Epp for more funding. So I do not know how I can give the Member a clear answer on that right now because we do not have any information as to the allocation of funding to Manitoba.

Ms. Wasylycia-Leis: Again, the Minister has not heard the question or chosen to ignore the question. I have asked now for the third or fourth time if she made any representation to Ottawa around the adequacy of the share of that fund to meet the needs generally of Native people in Canada.

I asked, as well, whether or not Manitoba made any representation to Ottawa, encouraging it to meet the needs of Native people generally in Canada "off reserve."

I am asking the Minister, by those questions, if she has dealt with these general policy matters, has maintained the leadership position that Manitoba has in the past been responsible for, if she has taken an active role in pursuing those policy matters. I have given up on asking about what share Manitoba will get because the Minister will not table anything, will not answer any questions, will not indicate what negotiating position we are taking.

I am now asking her on the general policy matters if she has taken an active interest in any of these areas, if she has raised them in any correspondence. Yes or no. If she has, then let us see the correspondence, let

us have some indication that she has raised these general issues and carried forward Manitoba's leadership position throughout this process of negotiation and development of a National Strategy on Child Care.

* (1630)

Mrs. Oleson: I have raised the issue of funding as I have indicated to the Member. I have raised the issue of funding for Native child care with the federal Minister. At this point, I do not know so I cannot possibly table the stated amount that will be allocated to Manitoba. So she is asking an impossibility.

I have told her repeatedly that I have talked to Mr. Epp in various ways by private phone conversations and indicated to him our genuine interest in all matters concerning child care in Manitoba, and one of those concerns being Native child care. I have indicated to the Member several times this afternoon that yes, I am interested; yes, I have made representation to the Minister; and, no, it may very well be that it is not enough money, and when I find out what is the allocation to Manitoba, I will be in a better position to agree or disagree on whether or not it is adequate.

I do not know what else I can do to allay the fears of the Member on this whole issue, except to tell her once again that the negotiating team will come to Manitoba. We will, at that point, begin our negotiations on child care along with every other province in Canada; and the Native people do want to have some input into what is being allocated, and how, to the Province of Manitoba. I do not know what else I can say to convince the Member that yes, I am interested in child care; yes, we are working on it; and, yes, we will be negotiating at the proper time.

Ms. Wasylycia-Leis: We have heard repeatedly this afternoon that the Minister is generally interested in all matters of day care, has made representation to Ottawa on all matters, and specifically on the question of Native child care; but refuses to give any details, any positions, any indication of her understanding of the problems and indication that she has sought out some advice and proposals from the Native community to work out solutions. I do not think there is much point in pursuing that matter. I think we will continue to get, as usual, no answers and fuzzy answers and more and more indication that the Minister is just not on top of policy matters pertaining to her department.

Let me go back to something the Minister has said specifically with respect to child care policy here in Manitoba and the fact that she referenced the task force as a mechanism for receiving Native input. Could she tell me if any Native person has been named to the task force?

Mrs. Oleson: The make-up of the task force is to be announced very soon.

Ms. Wasylycia-Leis: Is the Minister prepared to indicate now whether or not she will be including a Native person on the task force?

Mrs. Oleson: I think the Member will be pleased when the announcement is made; let us put it that way.

Mr. Chairman: On item (e)(2), Other Expenditures, shall the item pass?

Item 1.(f) Administrative Services: Provides management and information systems development, data processing and administration of office space, office equipment and departmental fleet vehicles.

(1) Salaries, \$817,600.00. Shall the item pass?—the Member for Ellice.

Ms. Gray: This particular section seems to deal with computers and data processing. I am wondering if the Minister of Community Services (Mrs. Oleson) could tell us what stage of computerization is this department in? I understand that there is a move towards computerization of some of the data in the regional offices and I would assume that the impetus is coming from this particular branch. Could the Minister indicate to us where the department is at regarding computerization of the regional offices?

Mrs. Oleson: Automated Commitment Accounting has been implemented within Manitoba Community Services and Manitoba Health for those offices having the requirement for the equipment; an enhanced version of the commitment accounting program to include cash flow reports and automated centralized consolidation of the financial status reports, together with several program improvements.

Ms. Gray: Could the Minister indicate to us then that in fact the Automated Commitment Accounting system is fully operational in all the regions throughout the province?

Mrs. Oleson: It is operational but they are still working on enhancements to the programs.

Ms. Gray: Are there any pilot projects currently going on in regard to that enhancement or any aspect of computerization in the regions?

Mrs. Oleson: The major projects are as follows:

(1) Child and Family Services Abuse Registry: The objective of that is to track and record information on convicted abusers and child victims. Results: Provides for tracking and identification of abusers and child victims. Results: Provides for tracking and identification of abusers and child victims; allows rapid inquiry in regard to Section 51:

- (1) Investigations for children in need of protection;
- (2) Screening for foster parents or adoptive parents;
- (3) Agency employment contains a program to identify those children that reach the age of 18 or abusers that have an inactive period of 10 years, or the related child victim reaches 18 will be capable of communicating with the large Child and Family Services Information System.

The status of that is a majority of programs written and tested, research and security programs, and

documentation for system operation and details to follow. A targeted completion date of September 1988.

(2) The Child and Family Services Information System: To monitor and track children in care at a provincial level; to monitor services for children in care and their families; to provide statistical information for program planning and fiscal management.

Results: to provide management centrally and at the agency levels with scheduled and ad hoc reports for cost-effective program planning and monitoring of resources for families and children in care; to identify and monitor high risk situations; to provide immediate access to information related to children in care and their families.

The status of that is the first phase of the system is complete and operational on two sites. The second phase is in development and scheduled for completion by November 1988. At completion, (1) pending Treasury Board approval, the purchase of computer equipment will be completed by October 1989; (2) pending Treasury Board approval, a total functional system will be developed and operational by March 1990, with continued implementation in the remaining 17 Government and funded agencies.

(3) Child Care Automation, Phase 1. Objective: The objective of phase 1 of the automation of Child Day Care is to automate the subsidy portion and that facility processing necessary to support subsidy. The objective of the entire project is to automate all phases of the Child Day Care Program; that is subsidy processing, facility processing, grant processing and child care worker registration.

Results: The benefits of automation of phase 1 are:

- (a) to reduce the amount of manual effort required to process applicant registrations and subsidy processing;
- (b) to provide timely and accurate program and client information to the management of child day care.

And the target date, that portion of the facility processing required to support the subsidy processing will be operational as of August 17, 1988. The development and testing of the subsidy processing should be completed by September 30, 1988. Conversion of the manual applicant files and the associated attendance reports can then begin in October 1988 and should be completed by the end of the fiscal year. The development of the remaining processes within Child Day Care can commence in November 1988 and hopefully be implemented by the end of 1989.

(4) Automated Commitment Accounting. Objective: to provide a consistent method for commitment accounting; to facilitate the reconciliation of expenditures to the Department of Finance ledger and to automate the production of the financial status report using a microcomputer based system for both Manitoba Community Services and Manitoba Health.

The results: The benefits are greater accuracy and timeliness of reports; greater capabilities to respond

to the ad hoc requests for financial data and consistent procedures for managing data within this department and between departments for regional operations.

* (1640)

The status of that is the Automated Commitment Accounting has been implemented within Manitoba Community Services and Manitoba Health for those offices having the required equipment; an enhanced version of the Commitment Accounting Program to include cash flow reports and automated centralized consolidation of the financial status reports, together with several program improvements.

The target dates of that: Implementation for regional operations was completed by December 1987, and by April 1988 for the balance of the department. It is expected that the enhanced version will be implemented by the beginning of the next fiscal year.

Results: It would reduce the time required to process a voucher centrally by 5 to 10 days; ensure the accuracy of the vouchers produced falls within the Department of Finance guidelines; ensure that the department staff are accountable for their areas of responsibility within this overall process.

The status of that is a revised manual system was recommended to voucher production for implementation in the fall of 1988. Commencing in the early fall of 1988, a complete requirement definition study, evaluation of other department systems, and an alternative study by January 1989. The completion date is to be scheduled.

(6) Staff Year Control System. Objective: To maintain a current database of information relating to staff years; to provide the timely and current report for (a) staffing costs or savings by subappropriation, turnaround time, type of position, part time and turnover; (b) detailed report listings by employee, staff year, Workers Compensation and terminations.

The status of that is staff year program input system is operational; report program is under the development; and the SY control system to be amalgamated with the Affirmative Action tracking system. The target date of completion for that is November 1, 1988.

(5) VRMR System. The objective of that is to provide for tracking of program clientele and associated expenditures per program or client.

Results: Provides financial information by program or client to assist in budget planning and control; tracks client activities which also portrays program and agency activities.

The status of that is the system partially operational September 1987, allowing the user entry and the above reporting features for the current year; still to develop rollover process from current year to the next. The completion date is still to be scheduled.

(6) Vital Statistics Automation. The objective is to complete certificates from information in the Vital Statistics database.

Results: The production of birth, marriage and death certificates on the computer equipment provide management reports on statistics and duplicate on missing registration numbers; allow existing staff to maintain the existing and future workloads of the branch.

The status of that is that computer programming is under development and the target date of completion is December 1988.

(7) Residential Care Facility Licensing. The objective of that is to provide a registry of all residential care, licensed and non-licensed adult and children facilities throughout the province.

Results: To provide listing of all facilities by name, address, contact name and region; to provide a licence review listing of all facilities which have been approved and under review by region and program; to provide statistical summary reports of all children and adult licensed and non-licensed facilities by facility type and level of care, also by region, program and level of care.

The status of that is the computer programs are under development and the target completion date is November 1988.

We also have an automation of voucher processing to simplify voucher processes.

Mr. Chairman: Shall the item pass?

Ms. Gray: Certainly, that information does indicate that I have a number of questions and maybe I should have interrupted the Ministers who went along.

Could the Minister tell me if the targeted completion dates, and some are in September, some have already passed, if they have been met or if the targeted dates that she has indicated are on target?

Mrs. Oleson: Yes, the completion dates have been met and the other target dates are on target.

Ms. Gray: Just to clarify the commitment accounting system that the Minister referred to, which was in conjunction with Manitoba Health and Manitoba Community Services. Is that commonly referred to as MSST?

Mrs. Oleson: No, that is a separate system.

Ms. Gray: Okay. Would the Minister of Community Services explain to us what she is referring to when she talks about a commitment accounting system, and she makes reference to the Manitoba Department of Health as well as Community Services?

Mrs. Oleson: It is to provide consistent method for commitment accounting to facilitate the reconciliation of expenditures to the Department of Finance ledger, and to automate the production of the financial status reports, using a micro-computer based system for both Manitoba Community Services and Manitoba Health.

Ms. Gray: Specifically, are we tracking information? Do we have commitments in that system which are health programs?

Mrs. Oleson: But it is a separate database.

Ms. Gray: Could the Minister give us an example of some of the types of programs which there is commitment accounting for within that system for Manitoba Health and for Manitoba Community Services, some examples of the kinds of commitments that are being tracked, for what programs?

Mrs. Oleson: Financial assistance and operational expenditures.

Ms. Gray: Does this commitment accounting system have anything to do with commitments of dollars expended to outside agencies?

Mrs. Oleson: Not at the regional level.

Ms. Gray: The Minister indicated that with this particular commitment accounting system the turnaround time could be reduced by five or ten days. Is this system currently fully operational?

Mrs. Oleson: I believe the Member is referring to vouchers, voucher accounting, not commitment accounting. They are two different things.

Ms. Gray: Is the voucher system fully operational? Have we been able to reduce the turnaround time by ten to five days?

Mrs. Oleson: No, it is not completely operational yet.

Ms. Gray: Just to clarify further. Could the Minister of Community Services indicate what the Facet Pilot Program is, F-A-C-E-T?

Mrs. Oleson: It may be a program in Health but we could undertake to find out for the Member, but that is not one of our programs.

Ms. Gray: Could the Minister of Community Services indicate to us: Is there any type of pilot program or work being done in two of the regions in Winnipeg relating to enhancement of the computerization, something that is being carried on at this point in two regions and not in a third?

Mrs. Oleson: Could the Member give us the full title of FACET. Then maybe we could get to the bottom of this and find out what programs she is referring to.

Ms. Gray: Mr. Chairperson, I do not have the abbreviation with me right here, but I will check into it and ask the question later. I have a few more questions.

The VRMR system that the Minister referred to, is that a system that is client based where the information is inputted based on individual clients?

* (1650)

Mrs. Oleson: Yes, client and also program.

Ms. Gray: Could the Minister elaborate on what she means by "also program"?

Mrs. Oleson: It tracks client activities and it also portrays program and agency activities.

Ms. Gray: So if someone wanted to find out how many clients were enrolled in a particular workshop and being paid at a particular level, this type of information could be gotten from this type of system?

Mrs. Oleson: Yes, the work activities would be included in that, plus the types of programs that they are enrolled in.

Ms. Gray: Could the Minister indicate to us how MSSP ties into this VRMR system? Is there overlap or duplication?

Mrs. Oleson: MSSP, as the Member referred to, is a payroll system for staff.

Ms. Gray: Is this payroll system—how is the information inputted? Is there any client base or any client information, the MSSP system, or is it totally based on the employees?

Mrs. Oleson: This is casual staff, and it is done on the basis of time sheets. It is not clients that we are referring to in this program.

Ms. Gray: With the MSSP program, is it operational in the regions, in the province?

Mrs. Oleson: No, it is not fully operational.

Ms. Gray: In the work that is being done to operationalize the MSSP, my understanding would be that when casual staff such as respite care workers are paid, obviously data needs to be inputted into computers. Has there been a decision made as to what kind of staff—is it professional staff or clerical staff who will be inputting this information?

Mrs. Oleson: Clerical staff would be putting the information into the system.

Ms. Gray: Could the Minister indicate to us, with a number of systems that seem to apply to the regional offices, has there been some work done as to the increased number of clerical SYs that would be required to fully operationalize these various computer programs?

Mrs. Oleson: It should equalize the workload, but initially there would be more staff needed to implement the program. Then it should be—if it is efficient, it should really cut down on staff.

Ms. Gray: Could the Minister indicate to us, initially, if more staff are required, where these staff will come from? Is there somewhere in the Budget allocation of term time to assist with fully operationalizing this program?

Mrs. Oleson: The MSSP that the Member has referred to is a Health initiative, so questions about that really should be directed to the Estimates of Health.

Ms. Gray: I am asking the question. I appreciate that this MSSP was initiated by Health, but when we look at respite care workers it involves—there are workers who work for the Department of Community Services, casual staff and they are under the responsibility of the Community Services Department. There have been some indications that in fact there has been confusion or there is a concern as to who is going to be in-putting the data, so that in fact the casual staff in Community Services are paid. Health staff have indicated, my understanding is, that in fact they do not have the SYs to do the work. Therefore, we now rely on the SYs in Community Services to do this work. Could the Minister indicate to us if she is satisfied that there are enough clerical staff within the various regions throughout the province to be able to handle this extra workload?

Mrs. Oleson: We are satisfied there are for the moment, but it is something that will be looked at on an ongoing basis. The programs in the agencies are at various stages. They would sometimes need more staff, but eventually probably need less. It is something that you will always have to be evaluating.

Ms. Gray: I can appreciate that the development of these programs started before this particular Minister was the Minister of Community Services. Have there been any studies done, or have there been any concerns raised by regional directors as to a real concern about the number of SYs that are available through administrative support to actually carry out these programs?

Mrs. Oleson: The regional directors are currently examining this issue on an ongoing basis. Of course, as the Member might be quite aware, there are always concerns about staffing. We always have to balance and make sure that the direct service has enough staff to provide that service. It is a fluctuating thing that has to be looked at on a continuing basis.

Ms. Gray: I raise this question because, all too often in new program initiations, particularly with the previous Government, the programs were initiated but of course the staff years were not there to complement or to go along with the programs. So in fact we had frustrations in program delivery and frustrations not only affecting the staff within the Civil Service but of course outside individuals and agencies as well.

The Minister has indicated that initially we may need some more SYs to implement this program. Could the Minister indicate if in fact there have been more SYs or any term time specifically allocated for the implementation of these commitment systems within the regions?

Mrs. Oleson: There may have been some staff allocated at the regional level. But as I say, we are examining this.

Ms. Gray: Could the Minister of Community Services tell us, in regard to the SY control system that she mentioned, is this control system something that is going to be managed at the regional level or is this something that will remain with Human Resources?

Mrs. Oleson: It is with Human Resources at the moment. Of course, there could be changes later. It could be decentralized at some point but, for the present, it is with Human Resources.

Ms. Gray: The Minister also mentioned that, within this SY control system, there would be an affirmative action tracking system. Could she explain to us more fully what she means by that?

Mrs. Oleson: This tracks the progress of affirmative action. It makes sure that the initiatives that we want to take with regard to affirmative action are indeed taking place. It underscores of course our commitment to Affirmative Action.

Ms. Gray: Could the Minister explain to us what specific kinds of information will be available through this computer system in relation to affirmative action?

Mrs. Oleson: It would track the number of vacant positions that could be examined to see if they could be affirmative action positions. It also tracks the number of actual affirmative action appointments and tracks the progress of that initiative.

Mr. Chairman: Shall the item pass?

The hour being 5 p.m., it is time for Private Members' Hour.

Committee rise.

* (1510)

SUPPLY—INDUSTRY, TRADE AND TOURISM

Mr. Chairman, Mark Minenko: I call to order this section of the Committee of Supply considering the Estimates of the Department of Industry, Trade and Tourism.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): The last time we dealt with Estimates, I believe we discussed the question of financial irregularity in the numbers of the printed Estimates. At that time, Members of the committee had asked if there were any others. In the printed Estimates for this year, there are none. In the 1987-88 Adjusted Vote, while the total is correct, there are some discrepancies. I have a statement, Mr. Chairman, that gives an explanation of that which I am prepared to table today in the House.

Mr. John Plohma (Dauphin): Just on that, we have not seen the figures, but I wanted to ask the Member just on that issue. We had raised the question last time we were discussing it on Thursday, September 8, regarding a figure of some \$150,000 that was in error. It seemed, according to the Minister's admission in the Estimates, that the figure should have been equivalent to the 501,000 of the previous year rather than 374. I was checking back in the notes in Hansard when the Member for Brandon East (Mr. Evans) was asking questions on strategic planning on August 25 on page

805 of Hansard. He was asking about a figure of \$154,000—if the administration can find that figure on page 23 of the Supplementary Estimates. At that time, he said that figure is for employees waiting redeployment, salary money.

I am asking him whether that is not the same figure of money that is going to be used for this purpose instead of being included there in the 374, is included in this area here for the same purposes? The figures were so close that I wanted to just ask if that is not where it was coming from?

Mr. Ernst: I thank the Honourable Member for raising that. It did occur to me as well that we discussed a similar type of number, although not exactly the same. I am advised that, no, it is not the same number.

Mr. John Angus (St. Norbert): I would just like to get some information on the record as to the familiarity that the department has with the Free Trade Agreement from the American perspective. I wonder if the Minister would be kind enough to just make us aware of whether or not the department has actually looked at the American component, that is the implementation legislation and the recent Omnibus Trade Bills that have been introduced, and what the Minister's comments might be as a result of them having looked at that.

Mr. Ernst: The department contracts with a Washington law firm of Arnold and Porter. They are expert in trade matters. They report to us on a regular basis, items that will have an effect on Canada or an effect on Manitoba. We ourselves have reviewed information, certainly with respect to the U.S. Omnibus Trade Bill and things of that nature. The law firm that we employed, because of the complex legal language associated with it, gives us a synopsis or their comments with respect to specifics that are dealt with here.

Mr. Angus: But the Government has no concerns in relation to the implementation of legislation as to how the arrangement might impact Manitobans and/or Manitoba industry?

Mr. Ernst: To suggest for a minute that we have no concerns, I do not think is fair consideration. There are many concerns that if certain scenarios take place or if something happens or some action takes place or so on, something else may happen. From our analysis of the Free Trade Agreement we see (a) no major sectoral dislocation. There may be some companies specific dislocation and that concerns us because we do not want to see anybody run into a situation that will cause them some difficulty. I do not think any government wants to see anybody run into any particular problem.

The fact of the matter is if you do nothing, what happens? And if you enter into the Free Trade Agreement, what happens? On that analysis, we feel that entering into the Free Trade Agreement by this country will be of major benefit to the Province of Manitoba. On that basis we support it.

Mr. Angus: I appreciate the fact it is well documented that this Government and the federal Conservatives do support this agreement.

My questions strike more at whether or not there have been any concerns, and then have there been any concerns about the American-Canadian free trade arrangement as a result of analyzing the impact of the American legislation? The Minister's indication that there are winners and losers is again something that is well documented and something that is not going to be sorted out right here today.

My honourable friend from Fort Garry has some specific questions in relation to agriculture. I am not sure if the Minister wants to call in the people from the Agriculture Department or not. I have attempted to encourage both my Members and the Members from the NDP to save the agricultural questions on free trade until free trade, until the agricultural Member is in. However, it is an issue that has to do with Industry, Trade and Tourism and we have some of the sectoral representatives and experts here, so we would like to perhaps discuss them at this time. I would like to just find out from the Minister how he would like to proceed.

Mr. Ernst: I suppose, ideally, the situation with regard to agriculture would best be dealt with under Agriculture Estimates which follow these Estimates in the House. But I am prepared to be flexible if the Member wishes to ask questions. If he would not mind, I would like to call upon my colleague, the Minister of Agriculture (Mr. Findlay) to be—I am not maybe as familiar with all of the aspects of agriculture as I ought to be. If he would care to hold his questions for a few minutes, I will see if I can contact the Minister and see if he can come into the House.

Mr. Angus: My questions come from some of the information that was provided by the Minister on a previous day so I do not think they are that specific to agriculture that the Minister necessarily has to be here.

But the one thing, and this may sound a little bit facetious but it was the one-page commentary regarding the horticulture industry, Mr. Chairman. I just want to read one sentence, and one might be accused of taking things out of context. But this particular sentence, I think, makes me a little concerned about the validity of the whole thing.

It reads: "Our watermelon and other melon business is equally competitive and will continue to expand." Now I am quite sure that the number of watermelons that have been produced in Manitoba probably has never come anywhere near meeting the domestic demand. I would go on record as being positive that watermelons, to date, have not been exported out of Canada to the United States, unless it was somebody taking one through in the trunk of their car for a neighbour or something. But the Minister of Natural Resources (Mr. Penner) says he has taken one and I admit that there have been some excellent watermelons produced in Manitoba, but certainly no quantity. I wonder whether this is just a comment that the Minister might wish he had not put in this article.

Mr. Ernst: If I wanted to be facetious and not to treat the matter with the seriousness that it deserves, I might

have suggested something that we were anticipating the "greenhouse effect." However, I think it related more not to the export situation but to the import situation and the kind of impact imports would have on the domestic market.

Mr. Laurie Evans (Fort Garry): I appreciate the Minister's comment on that. I certainly was not trying to make a big issue of it. But one thing that does bother me a little bit, Mr. Chairman, is the Minister has mentioned previously and I agree with him on this, that something in the range of 75 to 80 percent of our trade with the United States can be termed "free trade" and has been for a long time. I think it is also fair to say that of the 20 or so percent that has not been free trade, much of that has a relatively low tariff rate on it so that it has not been a major impediment. So it has been more often non-trade barriers that have been the factor in those areas than the tariffs themselves.

But I wanted to address one particular issue and that is the free trade and the impact that it has had on farm machinery. Now farm machinery, as I understand it, has been free in terms of free trade since 1944 and there have been two major studies that I am aware of, one done by Clarence Barber, who is a well-known Economics professor at the University of Manitoba, and that was done, I believe, in 1971, and recently there have been studies done on behalf of the Province of Ontario by an economist named Donner (phonetic).

I would just like to read the comments attributable to him. He says the 40 years of experience which involved adjustments on both sides of the border suggest that Canada did not gain agri-machinery employment or production advantages because of the Free Trade Agreement. Moreover, Donner said the fact that Canada has run a consistent long-term trade deficit with the United States in agricultural equipment, in a genuinely free trade market, suggests that Canada has difficulties in terms of cost competition with respect to the United States.

In Canada there were many years that we were very proud to be able to stand up and say that Massey-Harris, or later Massey-Ferguson, was a major agriculture machinery company in Canada. I wonder, Mr. Chairman, whether the Minister has data, other than this, which would indicate the impact of free trade on the agriculture machinery industry here in Manitoba, or whether this is a realistic assessment of the farm machinery industry, and if this is one of the areas where free trade can be identified as having a very negative effect on Canada over this, in excess of 40-year period.

Mr. Ernst: For the benefit of the members of the committee, I would like to introduce our two trade representative economists, Mr. Steven Watson and Mr. Allen Barber. I guess the Member for Fort Garry (Mr. Evans) is not aware that Mr. Barber is the son of the gentleman he quoted a minute ago.

Let me say this, Mr. Chairman, that Manitoba has been a major beneficiary of agricultural equipment manufacturing in this country. Ask whether Ford-New Holland is competitive in the United States with its

Versatile Tractor Plant, the answer is "Yes." Ask Vicon if their manufacturing facilities are competitive. The answer is "Yes." Vicon has just purchased the technology for Massey-Ferguson, with regard to their combine operations, and is in the process of moving that to Manitoba at the present time. So that I think we have seen many manufacturers of agriculture equipment in Manitoba who are competitive. It has been of major benefit to Manitoba. The whole thing has gone through a consolidation in recent times because of the agricultural economy, the fact that we have had depressed prices. The fact that we have had less than optimum growing conditions, certainly this year, has created difficulties that have forced consolidation of agricultural implement manufacturing. We are still a major agricultural implement manufacturing centre in Manitoba, and will continue to be so as far as we can tell for some time to come.

Mr. Angus: On the same vein, Mr. Chairman, the information I have indicates that in this particular industry we had a peak in about 1980 in 17,500 employed in this particular industry. We are now down to less than half of that, approximately 8,000. Can you give us any figures as to what has happened within the Province of Manitoba in this area as opposed to the figures that, I assume, are for the entire Canadian situation?

* (1520)

Mr. Ernst: We do not have the specific numbers although I am sure they are available. If the Honourable Member is interested, we can attempt to find those although it will not be this afternoon certainly. But I think if you look at the time frame that the Honourable Member for Fort Garry (Mr. Evans) quoted, you will see that it almost parallels the decline in the agricultural industry over the past number of years.

The fact of the matter is, in the late 1970s, buying prices were peaking, optimum prices were being obtained for commodity products. It was a boom market in the agricultural industry at that time. But about 1980 or thereabouts, give or take a year, things started on the downturn and have been dropping ever since. That parallels the loss of jobs in the agricultural implement industry because farmers were either not able or unwilling to acquire new equipment on the same scale that they had acquired it previously.

I mean, in the late 1970s, it was very common for people involved in the agricultural industry every year to buy a new tractor or a new combine or some other major piece of equipment to upgrade their operations because they were buying more land, trying to make themselves that much more competitive and that much more volume-wise, at least, able to compete in world markets, and things were going along relatively well. But the downturn occurred again around 1980 and has been on a slide pretty much ever since, culminating this year in the kind of drought conditions we have experienced.

Mr. Laurie Evans: One final comment and perhaps a response from the Minister on this, and an area that

Tuesday, September 13, 1988

concerns me is, looking through the budget of your department, I am not convinced that there is the support budget necessary to assist those companies who are going to find themselves in stiffer competition than they anticipate. I think, again from this same study, a comment that is very pertinent, it says: "Research and development spending in Canada for employed worker in this industry in 1985 was \$370 U.S. in 1980 dollars; in the United States, it was \$810 U.S." In other words, there was a lot more backup research and development support in the industry in the United States than there is in Canada. I would be interested in your comments, Mr. Minister, as to whether you feel that the R and D support that the local companies have is adequate to make sure that they are competitive with this tough competition that we are going to be looking at from the U.S.

Mr. Ernst: With the exception, I guess, of Massey-Ferguson, most of the manufacturing that is done here is done as basically U.S. operations. There is very little R and D money in this budget, in this department. We have talked about that in earlier days in the Estimates. The amount of money is about \$1.5 million approximately over the entire economic sector of Manitoba, in terms of money that we have available for research and development. So we make no claim that we have a lot of R and D money available for any industry in Manitoba. The principal amount of money, about \$1 million, is under the Urban Bus Agreement with the federal Government, and deals with bus manufacturing and R and D development related to new prototypes and equipment available for buses.

Mr. Bill Uruski (Interlake): I would like to ask the Minister whether today he has any further studies and analyses regarding the Free Trade Agreement to table for Members in the House. Are there other studies in the department that the Minister is prepared to make available to Members in the House?

Mr. Ernst: Not at this time, Mr. Chairman.

Mr. Uruski: The Minister is indicating there are no further studies. Can I ask the Minister then how he can make the claim in his sessional notes that he has provided for Members here, in reference to this subappropriation, that activity, under Activity Identification, page 40: "Undertakes policy research and analysis on complex trade policy issues and monitors Manitoba's trade performance." I am quoting from the document. I think the staff will have page 40, the second last paragraph. Basically, that is the activity of the department. Is this the sum total, the one page here that we got last week on horticulture, of the in-depth policy research and analysis on the complex trade policy issues?

Mr. Ernst: I would hope that is a facetious question, because I indicated the last time that we dealt with Estimates that we had 38 lineal feet of files related to specific issues dealing with the Free Trade Agreement. The staff have not, either under their Government or ours, prepared exhaustive studies detailing in general terms the whole Free Trade Agreement, but have in

fact done specific analyses on a number of issues. They have created files on that and provided individual short memos or reports of a few pages dealing with those issues. That was the way their Government handled it, and that is the way this Government has handled it.

Mr. Uruski: Then I say to the Minister that the staff of the same departments, whether it be Agriculture or Industry and Trade, in their analysis to us on, for example, the hog industry that is in the papers today—and I raised questions in that whole area on the question of additional duties being placed or which could be placed as a result of the omnibus U.S. trade Bill, and the lack of a definitive dispute-settling mechanism. The departments did raise for us the concerns that the pork industry on which there are duties, that there is no clear mechanism there in the trade deal to resolve the existing, what I would call, non-tariff trade barriers, the additional duties placed on hogs. That is an ongoing concern, which today in today's paper in fact was confirmed by the chairman of the Manitoba Hog Producers' Marketing Board where I quote, if I am reading him correctly: "Under the free trade, the Americans won't be as easy to restrict imports and we will have the next seven years to work out mutual trade laws."

As I understand the agreement as it exists today, and I would like the Minister to comment, the nature of the mechanisms that are in place, the Americans can continue to put on the duties that they are now pushing for. Let us not kid ourselves, they are actively steam-rolling because let us just analyze what there is at stake.

Here we are in the midst of a presidential election in the United States. You have Reagan, who is a supporter of the trade deal, in very much of a dilemma. Is he going to veto these particular sections of this trade Bill at this point in time and alienate the support in Iowa, in all the midwestern United States which are very heavy pork-producing states, and say to them we really do not care about you because this does not matter. The Canadians are not hurting you, so we are not going to go ahead with it. Or is he going to cater to the pressures and the lobbying that has been going on now for several years and, in fact, a very successful lobby which did impose the 4.4 cent a pound duty on Canadian pork, and allow his opponents to gain support in those states? Let us not kid ourselves. I guess that is the very heart of the argument that we have had on this trade debate is the safeguards, or at least the kind of safeguards that we discussed in Canada and were given assurances by the First Minister of this country to say that there will be a dispute-settling mechanism in place before this deal is approved.

Now we have approved this deal or we are in the process of approving it and we do not have a dispute-settling mechanism. I do not know where we as a Government are going to be going in this latest round with this Trade bill. I mean, what options have we got? Where are we going to go in terms of trying to protect our hog producers? What are we going to do? Are we going down to the U.S. to try and lobby or do we continue to support the industry as we have done in the past with legal and technical advice to fight the duties that may be imposed?

We are really caught, and I would like to hear the Minister tell us what room for manoeuvring we have in view of the deals that have been made up to this point in time.

* (1530)

Mr. Ernst: Well, it is not in my purview to decide what the President of the United States is going to do or not do. That is not the purview of any Member in this House or in this country. The President of the United States will do what he will do. But let us look at the facts of the matter. What do we have today? Right now, this date, September 13, 1988, in Canada related to the question that the Member for Interlake (Mr. Uruski) brought up.

We have no Free Trade Agreement today. We have an Omnibus Trade Bill from the United States that will allow, so far—will permit them to levy an additional duty against pork products. We have no dispute settling mechanism, period. None. No negotiating committee, no bilateral panel—nothing, with regard to those issues. That is what we have today.

Now, what will we have under the Free Trade Agreement that is different than it is today, where we have no Free Trade Agreement. The fact of the matter is, what we do have is an opportunity to sit down and—well, there are two issues and the first was brought up by Mr. Vaags of the Hog Marketing Board, to say that they really do not fear this situation and that they feel they are able to go before a U.S. court if necessary and argue the case that it was decided two years ago that pork products were not countervailable. That they feel confident in, and they feel confident that they will be able to continue their marketing the same as they have now. In addition to that, under a Free Trade Agreement, we would have an opportunity for a bilateral committee to meet with respect to that particular issue, a dispute-settlement mechanism. However imperfect that may be, that opportunity will exist under a Free Trade Agreement that does not exist now.

In addition to that, there is provision under the Free Trade Agreement for negotiating committees to meet over the next five to seven years to discuss a number of other issues related to agriculture in Canada and other economic issues. They are able, in that mechanism, to sit down and negotiate over that period of time the best arrangement they can for everybody's industry, both in Canada and the United States. That does not now exist either.

So Mr. Chairman, on balance, we have seen at least, however again imperfect it may be, the fact that we have two other mechanisms now—which we do not have at the present time—we still are faced with the Omnibus Trade Bill situation. Regardless of whether we throw the Free Trade Agreement out the window, we still have that problem. In terms of negotiating room, the Free Trade Agreement gives us negotiating room that we do not have at the present time.

Mr. Uruski: That is essentially the nub of the argument. The Minister in his debating and discussions here today basically sets out two scenarios as being our options:

no agreement, things as they are today; or this agreement. No one has ever said why have we not, and in our ongoing bilateral discussions with the U.S. and with other countries which we have on an ongoing basis, why we would not have continued our ongoing discussions which are ongoing in terms of trade and deal with enhanced trade on a sector-by-sector basis. That has never been put on the table or at least recognized by the Conservatives here or this Minister. He will accuse me of again putting words in his mouth.

I took from him to say that today there is no dispute settlement mechanism. Today there are duties imposed on pork products. The hog industry feels that it has no difficulty or little trouble in arguing against duties imposed in a U.S. court, even if they have to go to court. That is what I generally heard the Minister saying, and that we have an opportunity now under this agreement; on the other hand, to sit down and work out over the next number of years a new mechanism.

What has changed? Absolutely nothing has changed. Nothing has changed or will change in the short run. It may be for the next seven years, in terms of this agreement to at least work out the difficulties. We will be sitting down with the United States on a sector-by-sector basis and seeing how we can work out the disputes that we have in the hog industry. I mean we are going to be sitting down eventually on a sector-by-sector basis. The very notion that we should have been presenting all along is to say let us enhance trade and let us work out what we have done since 1944 on a sector-by-sector, commodity-by-commodity basis, the duties that have been in place and let us work through them and remove the duties. No, Mr. Chairman. What have we given up? We have wanted the trade deal so badly, we gave up a dispute settling mechanism and settled for what? For a panel that can only rule whether the imposition of U.S. law, and if they so do it in terms of additional duties, countervailing duties, if they impose the countervailing duties, whether or not those duties were applied according to their law, not whether they were fair or not but just whether they were applied correctly. So where is the betterment of our position by this agreement?

There are a number of arguments that have been put forward. I think my honourable friends use the argument. I am going to read them a little bit of an argument that I hope that the department may provide the Minister with some at least concurrence or total repudiation of what is going to be said, but I think here is a fairly unbiased assessment of really the assessments on agriculture. The question that the Governments—the federal Government has been spending considerable energy and, of course, millions of tax dollars to convince not only other people but—I will speak on agriculture, farmers in particular—that free trade is the answer to many of their problems. This Government here is generally supporting it.

Before farmers rush to embrace this answer they might be wise to consider whether the Government has asked the right question. We think not and a number of critics think not. The Government's trade strategy seems to be based on the assumption that Canadian agriculture can or should be able to compete with other

farmers around the world on an equal footing once the subsidy wars are over. The question the trade strategy is designed to answer, given a fair chance, can Canadian farmers compete against anyone else in the world for markets and, of course, the answer has been clearly, yes.

It is really an easy argument to sell and it is very appealing because it goes to all our egos. I am as egotistical as anyone when it comes to saying I can compete and I am strong. That is really the message that has been given out, that we are strong and we will compete, and if you cannot compete that somehow there is something wrong with you and if you raise questions there is something wrong with your analysis. Farmers, like everyone else, like to be told that they are the best in the world. I think an old Liberal Minister of Agriculture used to tout that about Eugene Whelan and I am sure that Ministers anywhere would want to say that, including myself, about the farmers that I represent. I have said it and I will continue to say it, but let us analyze it in terms of this deal. Let us analyze it.

* (1540)

There are reasons to at least question the assumption recognizing that the trade deal, based on the false assumption of competitive edge, would be a disaster, would it not? The issue farmers and the leaders should assess before jumping on this bandwagon is whether investment technology—that my honourable friend raised today—investment and hard work of Canadian agriculture are enough to compensate for some of the competitive disadvantages.

Consider the argument that has been put forth, not by a farmer but by the vice president of McCain's, Archie McLean, who is a self-described Tory from New Brunswick. He disputes the Government promises that Canada-U.S. Free Trade would open export market opportunities for fruit, vegetables and poultry producers. He says that a climate and growing season and economies of scale conspire to put Canadian fruit and vegetable growers at a disadvantage. Costs are lower in the southern U.S. Products like potatoes have more solid content and are larger in the U.S. In southern Ontario, tomato production is 18 tonnes an acre. In Michigan, it is 25 tonnes an acre and in California, 35 tonnes with two crops a year. McLean says processors will look at the economics and build in the U.S. to service the North American market.

Consider the cost comparisons prepared by the Canadian Broiler Hatching Egg Marketing Agency in defence of its case for border controls. Feed costs in Canada: 10 to 11 cents a pound; labour costs: \$5 to \$6 an hour; housing costs: \$18 to \$22 per square foot. In Georgia, where the main competition operates, feed costs: 7.5 cents; labour is \$3.25 an hour; housing costs are one-third the Canadian level. These factors have closed the hatching egg business in northwestern United States and moved it south. Variations on these cost inequalities apply to all the poultry sectors.

Now what of the livestock and grain sectors the Government holds out as the major beneficiaries of

freer trade? We know on the hog industry what has been happening. Industry spokesmen have embraced the concept, confident that they can compete if freed from the shackles of Government and trade barriers. Perhaps, but the Government has provided little public analysis about the impact on the competitiveness of the livestock and packinghouse industries if the Canadian dollar continues to strengthen against the U.S. dollar. No one has said anything about that. Where do we stand?

I know the department, his own department, raised that very question. In fact, the hog people and many of us who export—Mr. Vaags will tell you that it has been the strength of the U.S. dollar that has sent the amount of Canadian hogs to the U.S. that we have been exporting for these last number of years. That has really been our competitive edge.

And what did we get for it from the U.S. farmers? A 4.4 cents per pound countervailing duty on live hogs, and now another move, giving the authority to the U.S. Government to impose even more duties on slaughter hogs and processed products. That is the embracement that we are getting.

The livestock industry also assumes cheaper feed grain based on a dismantling of Government programs that they feel have favoured the grain sector of the livestock feed users. Government has made no promises about such radical policy changes. I do not think this Minister can enlighten us in that whole area whether there has been a commitment that there is going to be a dismantling of Government programs. We have lost the two-price system of wheat.

Now the grain industry, meanwhile, must consider how much of its world competitiveness is helped by the \$700 million dollars paid annually to compensate for the fact that Canadian growing areas are more landlocked than those of any of our competitors. We have already given that issue up because we have already conceded in our discussions with the United States on the export of canola that the Crow subsidy on transportation is in fact a producer subsidy, not a transportation subsidy. That one whole issue we have already conceded. The farmers are again the losers in this whole area.

Throughout the whole trade debate, there has been an assumption that not all Government supports would be dismantled and some protections will remain. I think that is fairly accurate. If I am a free trade skeptic, and I believe that in some areas I am, but I want to say clearly again that I am not opposed to greater trade liberalization. I am opposed, and our Party has been opposed, to this deal specifically, what we have given up. We believe and we say that farmers should examine how world competitive they really are before they give the Government a political blank cheque to begin dismantling supports and trade barriers. That is in essence the concerns that we are raising and in essence that this Minister and his department should be saying to farmers, look, be careful, there are a number of pitfalls. We have not heard that from this Minister.

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): I would just

like to put a couple of words on the record. We have just listened to the critic for the N.D. Party quote authorities that he feels have something pertinent to say about the free trade arrangement, and yet we have not heard a great deal new in terms of criticism. I am sure, after I am done speaking, they are going to say that they have not heard a great deal new in defence. But, you know, I find it very strange that people in the country that has a population as small as ours, that is dependent on world trade to the extent that they are, while looking for ways to criticize this agreement, and I am interested now to see that the NDP critic is couching his criticism in the same soft couch that the Liberals are couching theirs in, and that is that we are not opposed to trade per se—no, we are not opposed to trade but we just do not like this deal.

Let us talk about the one topic that seems to have caught their attention today, the pork industry. We, in this province, have a burgeoning pork industry, an industry that we in fact cannot consume the product from. We have to move that product. We have to move it into Japan and we have to move it into the States, because we are certainly not going to move it into eastern Canada. I am sure that the Members opposite will concede that. There are other world markets but those are the obvious ones that we have to look at.

We are also in a fight within our own country over where the packing industry is going to be. That is probably right. It is not going to be in Winnipeg. The former Government did not do a damn thing to stop the cattle from moving out of this province. That is one reason why we no longer have a cattle slaughter industry in this province, but we are facing the situation where there are lots of dollars going into the processing industry across this country—government dollars that are going to come up as a question of whether or not there is a subsidization of the slaughter industry.

Are we going to stand here in this House, all of us who purport to want to do what is best for the producers of this country, and say that we want the deal solely so that we are protected and nobody can come into our little bailiwick? Because if we do, we are going to put the pork producers of this province in the same box that we have put the control commodity producers; and if you graph the growth of those two industries, the poultry industry is in a downward graph, the hog industry is in a dramatic upturn and is bringing millions of dollars into this economy and millions of dollars into the pockets of the producers.

We always want to stand in this Legislature. We hear a lot of the former Government and now we hear the whole Opposition. They are very critical of the Americans and their attitude toward trade and how they are going to trample and run over us. Let me give you a little bit of a record on what Canada can do in terms of moving beef to get around the import law in the States a few years ago.

* (1550)

We allowed Australian beef to come into this country while we filled our quota to the Americans and stuck it to them basically in the beef industry. Is that the way

two cooperating partners should operate? If that is the way that you are advocating that Canadians and the Canadian country should deal with the largest market potential that we have beside us is by sticking it to them, then obviously you do not think that this deal or any other deal should work. We have got to have a fair mechanism for both partners and that is what this deal attempts to work out in my opinion. If you want fairness—(Interjection)—I am sorry—do you have a point of order?

Mr. Angus: I am not sure whether it is a point of order or not, but I do not want it left on the record by the Honourable Minister that we have been throwing any disparaging remarks to our American neighbours and alluding or indicating any negativism on their part. Any concerns we have would be with legislation that impacts on Manitobans solely, not in relation to imputing any sort of motive to the American neighbours that we have.

Mr. Cummings: That is fair comment, Mr. Chairman. I forgot that the collective—

An Honourable Member: To the point of order, please.

Mr. Cummings: To the point of order, Mr. Chairman, I said that was fair comment. I would like to then proceed with my remarks, if I may?

Mr. Chairman: I would like to thank the Members for their advice. The Member does not have a point of order, as a dispute of the facts is not a point of order.

The Honourable Minister.

Mr. Cummings: I think we can all agree that this Minister's Estimates have been well and truly sidelined into an area that we can spend a lot of time in agriculture as well. If the Members are shaking their heads and they are saying they will not spend any time on it in agriculture, then whatever their strategy is, that is their choice.

Perhaps the question is maybe that they are afraid the Minister of Agriculture (Mr. Findlay) would start to beat on them a little bit because of their lack of appreciation and understanding of what is involved in terms of agriculture. So they want to come into Industry, Trade and Commerce to talk about agricultural free trade.

An Honourable Member: He is filibustering your colleague's Estimates.

Mr. Cummings: I do not need to filibuster this Minister's Estimates. I just resent the fact that when the growth of this economy, this agricultural economy, is dependent on export to the extent that it is, that we should continually harp on the fact that we are putting ourselves at anything other than a more advantageous position to deal with the largest consumer country in the world. The American consumer will buy, given a good product. The Members certainly can see. The Manitoba producers, Canadian producers, at large, can compete. We are going head to head in the Japanese market on many items now. Why would we be afraid to go head to head in the American's own market?

The situation happens to be reversed to a few years ago when we had hogs coming in the Ontario end of our system at a fantastic rate which broke the market, but unless the Members opposite are talking about a subsidization program that will not allow our market to react to the American hog market and close our borders to American hogs, which will result in a counter move the other way, we are in a North American market today. My hogs go to the States. Mine, personally—the ones I ship—go directly to export. So the point is that our price is directly related to the North American hog price now.

What we need is a fair system so that this is the first time in the history of trade where a second country will have a representation to interpret their home country's law. It works both ways. When we wish to apply countervail, we can still countervail.

The only discussion that we have heard here is what happens when the Americans countervail? What happens if Canada sees an inequity? We can countervail. That is the impression that we are always too ready to leave out there that Canadians are left in a weak, exposed, pants-down position. That is foolish. We can use the mechanism of this trade deal to protect ourselves or to promote our industry and protect it from unfair practices every bit as much as the Americans can. That has to be an overriding concern. We talk about the size of the neighbour that we are trading with. We now have an opportunity to deal with them on an equal footing. I think that far too often this discussion has trailed off of that important aspect. Let us remember those two gross scales. And the critic opposite knows precisely what I am talking about. If we do not want the growth, then we box ourselves into a small protectionist climate. Not every industry wants to be in that climate.

Mr. Uruski: The Minister of Municipal Affairs got up here today in defence of his colleague, and placed a number of points on the record which are inaccurate. I have no argument with him. I want to deal with the inaccuracies as well. I have no argument with him or the Government to say, let us enhance trade. Where did we start from in terms of the pork industry and agriculture on a number of issues before this agreement? Where did we start from? We are basically in the same position after the agreement now that we were a year ago in terms of agriculture. Are we not? No? Mr. Chairman, I will deal with some of the inaccuracies.

The Minister of Municipal Affairs (Mr. Cummings) said this is the only time we will be able to interpret American law as a result of this agreement. That is not true. We will have a joint panel.-(Interjection)- I am talking about the deal too. That is not true. The only thing that the panel will be able to do is in fact deal with whether the law has been applied in accordance with the way it has been written, not whether it is fair or whether it should be changed. The panel will have no authority to deal with it. So what have we gained? Am I wrong?-(Interjection)- Oh, okay, I want him to deal with it.

* (1600)

The other point, which is another point in terms of the—he compared the hog industry to the supply-

managed sector, the poultry industry. He said that the poultry industry is down and pork is up. That is wrong; it is wrong. The broiler industry in this country is on an upswing and has been, a tremendous upswing in terms of—now there are, within Canada, fights as to who will get a greater portion of market share. I do not disagree with my honourable friend that there are fights. Neither his Government or any Government will dare to say we do not believe in supply management, that we will get rid of it.-(Interjection)- The Honourable Member made an inaccurate statement that the poultry industry is down in terms of production, and it is only the hog industry because of the exports that is up.

I want to say very clearly that it has taken the supply-managed industry and marketing boards of this country a number of years to basically become export oriented and to look beyond Canadian production. Certainly, the industry itself is not in a decline situation, as the Honourable Member has suggested. As well, Mr. Chairman, the Member alluded in his comments to the pork industry. The impact that U.S., at a time when the Canadian dollar was above U.S. values, how the imports into Ontario from Michigan and Iowa flooded the Canadian market in a very short period of time—I believe the year was '75—and virtually knocked the floor out of the Canadian market. What has changed by this deal to the hog industry? Nothing, absolutely nothing, and yet they say that we have to sign this deal, we have to agree to this deal, because it gives us access. The access is already there. If we are going to have discussions, we say—we have continually and we will repeat—let us deal with it on a sector-by-sector basis but not, in the whole process, give up our access to our energy industry, unlimited access to our energy industry; and, secondly, give the Americans unlimited access to the takeovers of Canadian companies without any review. They would not let us do that and they have not by this deal, but we certainly have opened the door to that.

Mr. Angus: I once again recognize that the arguments that are being put forward by both sides of this House are issues that are very important to Manitoba, but are going to be settled in a different court, under a different jurisdiction, and have absolutely nothing to do with the specifics of these Estimates.

I would move, Mr. Chairman, that we conclude the Estimates, the questioning on the Estimates for Industry, Trade and Technology, and would move that all items up to 10-5E be passed.

Mr. Chairman: The Honourable Member for Dauphin (Mr. Plohman), on a point of order.

Mr. Plohman: Mr. Chairman, I find this reprehensible that the Official Opposition in this House wants to muzzle debate on a very important issue that he says and his Party says is absolutely important for Canada and that he has severe and serious concerns about. This is unprecedented insofar as the House business over the last number of years.

Clearly, the parameters on Estimates discussions are set through a maximum number of hours that are

allocated to the combined Opposition to deal with Estimates. There is no other provision to deal with that kind of limitation of discussion in this House, and this Member is deviating from Parliamentary tradition in this kind of a motion. I would ask him to consider the implications of what he is doing with that motion, reconsider those implications, and withdraw that motion immediately so we can continue our discussions on this very important issue.

Mr. Angus: I am not sure what the point of order is. I am suggesting that our particular Party, once again, is through with the questions on the Industry, Trade and Technology component. I could ask questions on this area until the tariffs on pork come off, and still not get legitimate answers, and still not get answers that would impact on Manitobans.

If my honourable friend has some serious questions in relation to the line-by-line budget application, I would be more than pleased to relinquish the floor to him to ask some specific questions. But if they are going to continue simply to argue the merits or demerits of a national issue, I think it is an absolute waste of this House's time.

Mr. Chairman: Does the Honourable Member have his motion in writing?

Mr. Angus: I do not, Mr. Chairman, I meant to . . .

Mr. Chairman: Then we cannot pursue the matter of the motion any further.

Mr. Leonard Evans (Brandon East): I have some questions on the issue of trade policy as it affects the industrialization of this province. What I am concerned about is the whole question of regional incentives. I realize there has been some debate about this in Ottawa in the last couple of weeks, whether or not the federal Government will now more or less have to cease and desist in terms of regional incentives because those incentives may be seen to be as anti-free trade in spirit and, therefore, subject to countervail. Has the Minister any views on this?

There has been a debate in Ottawa. In fact, there was a senior official who stated at one point that it was going to curtail the activities of his department in providing incentives, although a day later he was seen to retract this and said it was more or less an administrative matter that he was talking about. The administration of the regional incentives would now have to always include the question as to whether or not those regional subsidies or grants would somehow or other be interpreted to be anti-free trade. I think this is a critical question.

Manitoba, regrettably, is not the fastest-growing economy in this country. We have always had a struggle for economic development. We need, and we have had in the past from time to time, some federal assistance. I am suggesting we are not getting enough federal assistance. But I, for one, and I would hope all Members of the House would share with me the concern that

this deal will somehow curtail regional incentives, the incentives that we need, that we have had in the past to assist the industrialization of this province. So I wonder if the Minister has any comments on this. Has he expressed his concerns to the federal Minister, or has he no concerns?

Mr. Ernst: The question of regional incentives is not a question of concern under the Free Trade Agreement. The Western Diversification Initiative, for example, was announced after the Free Trade Agreement had been negotiated, so we see regional incentives under that Agreement and under, quite frankly, GATT Agreements that have been going on for years. If certain kinds of regional development incentives are seen under GATT, for instance, to be unfair practice, then they are dealt with under GATT. So whether we have a Free Trade Agreement or we do not, we still have the problem with regard to GATT, unless we want to be pulled out of that as well and try and build barriers around our country and slowly wither away and die. Under the Free Trade Agreement, certainly the question of regional incentives is permitted, and will continue.

I want to point out too that the Member for Brandon East (Mr. Evans) raised the question of the Deputy Minister saying one thing, alleged to have said one thing on one day, and retracting it in a press release the next. I say this, that I had a member of my department at the meeting where that statement was alleged to have been made, and that staff official advised me that in fact the press took it totally out of context and that the retraction made by the Deputy Minister the next day set the record straight. He was at the meeting where the statement was made, and advised me accordingly.

Mr. Leonard Evans: On that point, I stated that—it is a Mr. Ross who is the senior official who is involved in the regional development programs. He is quoted in the Globe and Mail of September 2, where he has issued a correction. He says: "I simply indicated that the administrative practices of this department and previous regional economic departments is to review applications for assistance to ensure respect for all international obligations." Then he goes on: "Moreover, I did not say that free trade will impede, restrict, limit, violate or put at risk regional development assistance," and that was his statement of correction.

Nevertheless, as I said, in there, built into the matter of assigning or not assigning aid to the regions is this question of whether or not it is going to be against the intent and the spirit of the Free Trade Agreement. As a matter of fact, there was a report again on Friday, September 2, in the Winnipeg Sun with a story out of Ottawa, a Canadian Press story, where it states: "The United States expects Canada to screen"—this is not the senior official, this is a United States source—" 'expects Canada to screen regional aid programs to ensure they do not violate the spirit of this Free Trade Agreement,' a U.S. source said yesterday." It goes on to say, "I must say, in fairness, that they are going to try to do the same thing."

* (1610)

What I am suggesting—even though the Minister states that this had to happen and was happening now under GATT—we had to make sure that we did not do anything, because we were a member of GATT, that this would be no different. I am submitting that it is probably going to sharpen and heighten this whole question and could lead to it. Who are we to say? But I could speculate, and I like to be an optimist but I think we could be a pessimist, too, that there will be fewer rather than more regional incentives as a result of this great concern that we do not do anything if the deal is passed and signed—well it is passed in Parliament, but if it is signed and becomes reality we might have a situation where there will be fewer regional incentives provided.

I am one who believes that Canada, as a nation, has as its No. 1 problem regional disparity, because that regional economic disparity is the basis for a lot of social injustice. If you want to have a strong Canadian nation, you have to have strong Canadian regions. No region should be left out. Every region, in my view, is entitled to an adequate level of economic growth. Certainly, we have to make great efforts to provide jobs in all areas of the country. I include Manitoba, which regrettably has not grown as quickly as some of our sister provinces to the west for some very fundamental reasons.

We have not had the oil. - (Interjection)- The Minister gets me onto a favourite subject. I guess he was not around in the Lyon years. I put out a series of reports which showed categorically that we had less growth under the Lyon years than we did under the Schreyer years. We can have a lot of debate on that and hear a lot of data on that, so the Minister cannot just simply say well it is because of an NDP Government. I submit that we had a very significant growth in jobs during our term in office. There is no evidence that an NDP Government per se causes a lower rate of job growth.

But having said all of that, you put Manitoba in historical perspective, we have tended to be a slow-growth province for some very fundamental reasons, one of which is we have not had the same resource base as indeed B.C. and Alberta has and, to a large measure, Saskatchewan. We certainly do not have the concentration of population that central Canada has. So we have a lot of strikes against us, and it is a difficult slow process. The Minister has one of the most difficult departments in fulfilling a mandate. It is an interesting department. It is one of the most difficult, probably, maybe frustrating challenges that he faces as a Minister because it is a very difficult challenge to enhance and promote adequate economic development. I do not take anything away from this Minister or any other Minister. It means you have to work hard; you have to try very hard. But the fact is we have to try even harder. I am very concerned about this. The Minister does not seem to share that concern. I want to go on. I have some other questions, unless my colleague—I would like to go on very specifically to one thing that somewhat relates to this.

That is, I believe earlier in the debate in these Estimates, the Minister said the monies for the Ottawa office, the new office that is being set up or has been

set up maybe by now, is under the Trade line. That would be an opportunity to debate and discuss the Ottawa office, because that relates to concerns we have about trade or it relates to concerns we have about regional development certainly as well. So I would like to know just how much that office is going to cost, what kind of a staff you are going to have there? What are the terms of reference of that office? To what extent will it be involved in promoting Manitoba trade opportunities?

Mr. Ernst: As I indicated in previous discussions at some length—I think the Honourable Member was not able to be with us that particular day—the cost of the office will be about—well, first of all, it is not set up. The budgeted amount for salaries, rent and other expenses of the office for this year is \$200,000.00. The expected operations of the office are relating to ensuring that Manitoba companies will obtain as much as possible their fair share of Government procurement. That is the principal focus of the office in the first phases. The staffing complement has not yet been decided.

In addition is the question of Government procurement issues that we anticipate because of the location in Ottawa of the wide variety of associations and other groups who hold annual conventions that we may have some spinoff benefit. We will be looking at having staff there work on convention and tourism business for Manitoba as well.

Mr. Leonard Evans: Am I correct though, Mr. Chairman, it is under this item that the monies for that Ottawa office are budgeted? I see the Minister nodding in the affirmative. Therefore, even though Government procurement may be a big part of the job, nevertheless trade enhancement and promotion I would suspect has to be one of the criteria. Obviously it should not be here at all. It should perhaps be someplace else.

What are we spending in some of the other offices? We have one in Europe and one in Hong Kong. I do not believe there are any other offices, and is there any reports on what current results, are any interesting results coming out of those or maybe they are more to attract industry rather than to promote Manitoba products? At any rate, it should be one of their functions and that is to promote trade.

Mr. Ernst: A few offshore operations, Mr. Chairman. The first is in Hong Kong. It costs approximately \$160,000 a year, and in Rotterdam where we have a contract with a person living there. It costs about \$90,000 a year, although some of that money is spent here in relation to the office.

Mr. Leonard Evans: Is there a report on what progress is occurring at present in these offices? In other words, what is new? Is the Minister satisfied with what is happening with these offices or is he considering he should close them down or expand them or what?

Mr. Ernst: Mr. Chairman, in the four months or so that I have had the opportunity to be Minister of the department, I have not run a detailed analysis of these operations. Certainly I think that presence outside of

Manitoba is necessary. We have to compete with our sister provinces in western Canada.

B.C. operates 16 offices outside of British Columbia. Alberta operates I believe a dozen and they are opening two more I understand in the very near future. Saskatchewan operates six offices outside of Saskatchewan, so that in our discussions with the western trade Ministers at a recent meeting in Vancouver that I had the opportunity to attend, we discussed the question of offshore operations and their relative value, and also the fact that while B.C. and Alberta are in a much better economic situation to maybe carry out those kinds of offshore arrangements, Saskatchewan and Manitoba have less of an opportunity. The possibility exists, and I will be pursuing this over time, that we might in fact deal on a cooperative basis with Saskatchewan in some additional offices offshore, but I need some time to make those analyses, and based on the information produced from our existing operations in Hong Kong particularly, and in Rotterdam to some degree, that there is benefit. I think we need to explore the possibilities of gaining greater benefit from those kinds of operations.

* (1620)

Mr. Leonard Evans: It is interesting what the Minister tells us. This is a very fundamental question. To what extent should provinces or any state of a nation—any individual states—be involved in operations outside of the country? In other words, we are one nation. We have a federal Government that has a responsibility and, indeed, has a network of trade and promotional offices around the world. To what extent should provincial Governments be spending taxpayers' money to duplicate this? Manitoba, historically, under both the New Democratic Party and, indeed, the previous Conservative Governments, has taken the position of depending on the federal Government, to encourage the federal Government to look after Manitoba's interests and work with the federal Trade Commissioners wherever they may be around the world.

Admittedly many other provinces do not seem to be concerned with this question. Quebec, I think—I do not have the numbers—probably has more than maybe everybody else put together. The real question is who speaks for what part of Canada? It may be confusing for some people out there. I am not critical of the fact that there are only three offices; I am not critical if we have them; I am not suggesting that we get rid of them either. I am simply pointing out though I would hope that we would not have a major expansion in offices outside of Canada because I believe that if you work closely with the federal offices in the foreign countries, you do get excellent cooperation. They are competent people. It is a matter of getting to them and making sure Manitoba's interests are represented on specific projects, specific industrial opportunities or trade enhancement.

At any rate, I gather that for the time being—because the Minister has not studied it any further—it is status quo. Although he may want to spend more money and develop other offices, my view is that we—unless he can prove to himself conclusively that there are some

very net positive benefits—we should not spend that additional money, but do more to lean on the federal offices in those particular countries.

Mr. Ernst: As I indicated to the Member for Brandon East (Mr. Evans), that is exactly what I intend to do. We are not certainly going to throw money at anything in an attempt to try and outdo Alberta, Quebec or B.C. because we are not capable, financially, of doing that. Certainly the financial straits that this Government has been left in, this province has been left in after the last six years, precludes any kind of major operation in that regard in any event.

At the same time, it is no good to throw up our hands. We are meeting on a regular basis with the Canadian Trade Consulate Offices wherever they exist and we are in contact on a regular basis. Sometimes that is not good enough, and quite frankly we are not going to just sit back and try and rely on that either. If we see an opportunity that is cost efficient, that has a cost benefit, then we will seize that opportunity.

Mr. Richard Kozak (Transcona): Mr. Chairman, would the Honourable Minister agree that the costs and benefits of free trade with the United States are very much contingent on the value of the Canadian dollar vis-a-vis the U.S. dollar?

Mr. Ernst: Mr. Chairman, it is my view that free trade and the value of the Canadian dollar has nothing to do—there is no inter-relationship at all. The value of the Canadian dollar is based on a wide variety of things, interest rates, levels of investment and a whole variety of economic indicators and activities quite apart from the Free Trade Agreement, and there is no direct relationship at all.

Mr. Kozak: Perhaps the Minister has misunderstood my question. If a cart of Canadian apples cost in U.S. dollars \$100, is it not reasonable to suggest more difficult to sell if in the U.S. dollar terms they cost \$50.00?

Mr. Ernst: The problem remains whether there is a Free Trade Agreement, or whether there is not, if the dollar value fluctuates.

Mr. Kozak: The value of our dollar is precisely the foundation of my question, Mr. Chairman. The Minister of Finance (Mr. Manness) has stated in this House in this Session that on one occasion that the value of the Canadian dollar in his view would go up against the U.S. dollar, and on another occasion that the value of the Canadian dollar would go down vis-a-vis the U.S. dollar.

The Minister expresses a great deal of pride in the reams of research done within his department in considering the Free Trade Agreement. Has the Minister's office given him an estimate of the performance of the Canadian dollar vis-a-vis the U.S. dollar into the foreseeable future? In asking this question, I am pleased that the Minister has two economists available to him.

Mr. Ernst: The Department of Finance and a couple of other departments provide detailed analyses of these

expectations in dollar values and so on. My department specifically does not do detailed analyses there; it would be a duplication in effort. So that the Department of Finance does it and I believe the Department of Economic Security and Employment Services—Department of Employment Services and Economic Security, I guess is the correct name—also provide information in that regard so that is where those analyses come from.

Mr. Kozak: I will not proceed with his line of questioning any further. I respect the fact that this particular estimate is probably one that is best made by the Minister of Finance (Mr. Manness). On his return shortly, I will undoubtedly seek to clarify with him whether his current belief is that the Canadian dollar will rise or fall, and perhaps his views on the impact of that rise or fall on Canada's trade position with the U.S. Thank you.

Mrs. Gwen Charles (Selkirk): Mr. Chairperson, I would like to move on to the Department of Tourism within this department of the Minister's. In particular, on page 55 of the Supplementary Information Review Book, it goes on to state—

Mr. Chairman: The Honourable Member for Dauphin (Mr. Plohman), on a point of order.

Mr. Plohman: Mr. Chairman, I would also like to get him to Tourism soon, but this Minister has staff here. They are dealing with Trade, and it has been customary that we finish with one particular area of the department, particularly where there are two completely different departments amalgamated into one, and then to discuss the other issue when we get to it in a line-by-line consideration. So I would recommend to you that you consider that the Member for Selkirk's (Mrs. Charles) request is out of order.

* (1630)

Mr. Kozak: During these particular Estimates, Mr. Chairman, there has been, I believe, absolutely no restriction on the generality and free-ranging nature of debate within this committee. I ask that the Member for Selkirk (Mrs. Charles) be accommodated in proceeding in precisely the way that this committee has over the last week or so.

Mr. Chairman: On a point of order, the Member for Brandon East (Mr. Evans).

Mr. Leonard Evans: While it may seem that the debate has been fairly free-ranging and that may be because of the kinds of topics, because when you talk about industrial development you are bringing in a lot of aspects of it. But really we have been following an order here and you have to go by the rules of this House line by line, and unless the Member is going to talk about how trade impacts on tourism, but frankly there is a section on Tourism and at that time when we get to that obviously the staff on the Tourism side will be available to assist the Minister in answering specific questions.

So we have to go through Trade, there is a section on Rural Economic Development, then there is the

Business Resource Centre, then there is the Technology Division, and then there is a Planning Agreement and then we get to Tourism. But there is an order and we have to follow it on a line-by-line basis.

Mr. Kozak: To the point of order, Mr. Chairman.

Mr. Chairman: To the point of order, the Member for Transcona (Mr. Kozak).

Mr. Kozak: To the point of order, Mr. Chairman, last week, as I recall in this House, in this particular Estimates Session, questions were asked which were within this province certainly, not of this department at all, but required the participation of the Minister of Agriculture (Mr. Findlay) who has graced us with his presence again this afternoon. The generality of debate in this particular Session which we, the Official Opposition, protested last week has been completely unrestricted in debate thus far. Therefore, I ask that the Member for Selkirk (Mrs. Charles) be accommodated.

Mr. Chairman: I would like to thank all the Honourable Members for their advice in this matter. The Honourable Member for Dauphin.

Mr. Plohman: Mr. Chairman, I just want to indicate for the Member for Selkirk (Mrs. Charles), and she seems to be very amenable to that suggestion and she had the opportunity to move on to—oh, she is not—okay, in that case I was just going to indicate to help that my questioning was not lengthy to deal with Trade at this point. This is the time to deal with it, that is why I want to raise it now. We are dealing with Trade.

Mr. Angus: Mr. Chairman, I believe that we are dealing with honourable gentlemen who want to get on to dealing with these Estimates in a responsible fashion. On behalf of our Party, we will remove the request to have you rule on the point of order and allow the Member to ask his questions with respect to the fact that he is going to be getting on with the Trade questions so we can get on with the balance of the Estimates. Thank you.

Mr. Chairman: I thank all Members for their advice and cooperation and I would invite the Honourable Member for Dauphin.

Mr. Plohman: Thank you, Mr. Chairman. I know that we are going to be moving on to Rural Economic Development, the next line in the Estimates, but before we do on that same topic related to Trade, Rural Economic Development programs and Regional Economic Development programs generally are of great concern to me, insofar as the trade agreement is concerned, because I feel that in a country that is vast as ours and a province as vast as ours, we will always need regional economic incentives to develop our economies in various areas of the province and in the country. It has been essential to developing of our country, of our nation, of our history. I would ask the Minister a couple of questions about this issue. I do not just want to go on and to explain him that we are

concerned about it. I want to ask about his position with regard to regional economic development programs and the impact that the trade agreement would have.

Very briefly then, I would ask the Minister, does he feel that the importance of regional development programs that are in place in Canada today is of greater importance than they are for a country like the United States which has a much greater population and therefore not the vast distances of sparse population that we have in a country like this, that it is more important to us as a nation to have freedom to put into place regional development programs?

Mr. Ernst: I indicated to the Member for Brandon East (Mr. Evans) a couple of minutes ago that it is very important, we feel it is very important, for regional and development incentive programs be maintained in this country. We have no concern with respect to the Free Trade Agreement, altering the status of our ability to deal with those kinds of programs. We see that from time to time programs occur that are alleged to be regional development incentive programs that may impact on our abilities under GATT. Under those kinds of situations, they may or may not be regional incentive programs, but are perhaps deemed to be. But, by and large, regional development incentive programs are not of major concern to us under the Free Trade Agreement.

Interestingly enough, the National Governors Association, which met just within the last couple of weeks in the U.S., produced a paper and stressed very strongly that they also have concerns about regional development incentives in their country and that the U.S. wants to continue with regard to that as well.

While they may not have the same distances and may have a larger population, they have a different kind of problem which needs to be addressed under regional development situations where they have vast areas of people who are perhaps underprivileged or in low economic strata or so on. They need assistance under that as well. So I think both of us, Canada and United States, recognize regional development programs are necessary, desirable, and certainly we will both want to continue those kinds of programs in the future.

Mr. Plozman: Just to follow up on that, does the Minister believe that the Free Trade Agreement excludes specifically regional development programs from U.S. countervail? In other words, does it provide any protection? Does it provide, as the term goes, "safe harbour" for regional development programs?

Mr. Ernst: The current agreement says nothing one way or the other. It says neither yes or no with regard to that particular issue. Over time, over the next five to seven years, assuming the Free Trade Agreement ultimately comes into effect, negotiations on a variety of issues relating to any number of situations will take place. Level playing fields with regard to agricultural subsidies is one. There may be—and I have no reason to believe either one way or another, but anything is possible—some discussion with regard to both the

Canadian and the U.S. regional development incentives. I do not know that and no one will know that until it occurs.

Mr. Chairman, it says nothing in the agreement on either side. Both countries feel they are valuable tools in the realignment of economic development in their country and I see no reason for it to change.

Mr. Plozman: What I take from this Minister then is that Canada gained nothing in the trade deal insofar as protection for regional development programs in this country.

Mr. Ernst: Canada lost nothing in its negotiations with regard to that.

Mr. Plozman: The fact is that we, as a country, in negotiating this agreement gave up a great deal in a number of areas and we expect to gain something back in areas as well. That is why I am asking this Minister whether indeed there is any protection. He is saying no, the Free Trade Agreement does not provide us any protection whatsoever. So in fact our regional development programs can in the future be treated the same as they have in the past to an accelerating degree, as a matter of fact, if one considers what has been happening in the Atlantic provinces in the last couple of months with the ground fish issue, for example, where 55 programs that were provincial and federal, subsidies for that fish product for fishermen in the Atlantic provinces, were deemed to be countervailable by the U.S. That kind of thing can happen.

I ask him how he feels comfortable that such programs as the Core Area Initiative with a number of subsidy programs, for example in Winnipeg, regional development programs for the City of Winnipeg, for the core area, the Western Diversification Program and others cannot be treated the same way as the subsidies for Atlantic Canada. John Crosbie said that it does not interfere with regional development assistance to Atlantic Canada. He said that the Free Trade Agreement does not interfere with subsidies to Atlantic Canada and the Minister has just said that he agrees with that. It does not do anything to it.

The fact is we have no protection because of the Free Trade Agreement and yet we have been told this is a great thing for Canada. We see now the Minister admitting that there is no protection in that area. I ask him how he can put his faith in some good will of the Americans in the future when they have taken such severe action as they have taken in the Atlantic provinces. Just in April, April 29, 1986, when that judgment was made, with regard to 55 programs, regional development programs in Atlantic Canada, how is that not going to happen here? How can he feel assured and how can he assure Manitobans that we are going to be immune to that kind of punitive action by the U.S. to our great detriment in this country?

* (1640)

Mr. Ernst: Mr. Chairman, the Honourable Member for Dauphin (Mr. Plozman) has referred to certain actions

that have been taken with regard to certain support programs in Atlantic Canada. All of those actions took place outside of the Free Trade Agreement; they took place anyway. There is no Free Trade Agreement in place and those actions took place.

What we have under a Free Trade Agreement is an opportunity to have a dispute settlement mechanism in place to try and deal with those kinds of things, to try and deal with those issues that come forward, to try and negotiate an arrangement because they are going to occur in any event. They have occurred in any event; they have occurred outside the Free Trade Agreement. Of course, they have occurred outside the Free Trade Agreement, because there is no Free Trade Agreement in place.

The Member for Concordia (Mr. Doer) is shaking his head saying it would not have occurred. Mr. Chairman, they have occurred. Can he deny the facts? They have occurred outside of the Free Trade Agreement. They will continue to occur outside of the Free Trade Agreement if we do not have one, but we have an opportunity to sit down with our trading partners and negotiate these kinds of agreements. We will have a mechanism in place that we do not have at the present time.

Mr. Chairman: Is it the will of the committee to pass item 2.(e)? The Honourable Member for Dauphin.

Mr. Plohman: Clearly, the Member has said that there is going to be an opportunity to deal with this kind of issue through a binding mechanism. The fact is that those 55 programs which give assistance to Atlantic fishermen were judged to confer a subsidy, not very much of a subsidy. As a matter of fact, it was a tied vote, and the judges then voted in favour of those in the American firms who were making the complaints. The fact is these programs are now entrenched in U.S. law as subsidy programs, and they can be used in the future in that way by other appellants who want to make reference to them. So they become a part of U.S. law. Can the Minister tell me how the dispute-settling mechanism is in any way going to assist us to remove those from U.S. law?

Mr. Ernst: In the clearest succinct question of what he has said, he is correct. He is correct it will not change the law. However, interpretation of that law, Mr. Chairman, has been very wide and has been subject to major economic pressures and lobbying by a variety of interests. That interpretation has been very wide and oftentimes, quite frankly, slanted. We have a binational panel that will now deal with those issues, will deal with the question of whether they are in the spirit of the Free Trade Agreement or not, and will make their decisions accordingly.

We have not had that opportunity before. We have had the economic lobbyists, business interests, whatever, putting pressure on you as Governments and seeing interpretations that are not necessarily in the best interests of Canada. We will see, under a binational panel, an opportunity we have never had before, and I think one that will be of major benefit to Canada in the future.

Mr. Plohman: One last statement, and that is simply that despite the fact that we have given up so much in so many different areas that are critical to Canada's future such as in energy and in investment, we have gained nothing in this area. I think that is, in itself, a damning testament to this agreement and one that the Minister should be taking very seriously and demonstrating a great deal of concern because, even after this agreement is in place, all we will be able to do is to appeal to that dispute-settlement mechanism to determine whether the American laws were applied the way they were intended to. There is nothing else.

It does not judge whether it is fair or not for Canada. It is just based on its -(Interjection)- yes, we have gained nothing. That is right, we have gained nothing, Mr. Minister, and you sit back and do nothing about it, despite the fact we have given up so much. That is what we are saying here, some equity in this whole agreement, that is what we are concerned about, and that is why we raise this issue. That is all I have to say about it, Mr. Chairman.

Mr. Leonard Evans: I want to make one final statement on Trade, and then hopefully we can get on to the next item.

Because this is a very critical area, I simply want to put on the record that, by and large, there is no question in my mind that we are going to have fewer jobs in manufacturing in Canada and in Manitoba on account of this deal. There is no question about that. What the deal allows for is large gains in exports of resources, which are not job intensive, at the expense of jobs in manufacturing and services. Therefore, generally our jobs deficit will worsen.

We have right now a jobs deficit in trade with the United States. We export to the United States. We gain certain jobs from that, but we also import and therefore lose jobs. If you take the balance, even though financially we have a trade surplus in terms of jobs, we have a job deficit of around 107,000 in 1987 in terms of the estimates provided by Statistics Canada. So what we are suggesting is that, instead of a Free Trade Agreement, as this is referred to, which by law treats American companies the same as Canadian companies, we have to retain the right to force American firms to maintain a higher level of employment in Canada if they want to participate in the Canadian market. It sounds very protectionist, maybe it is, but it is in keeping with our historical tradition of maintaining manufacturing in Canada.

I suggest that what would be a far better economic strategy for job creation is a selective import replacement program. This is something the department has done over the years. They have tried to have an import replacement program. What do we import? How can we replace that and do it locally? I am saying that will gain us far more jobs than unbridled free trade with the United States.

The exports to the United States are dominated by natural resources. We are very efficient in producing that, in producing basic lumber, certain minerals, certain oil. Generally, the United States wants these now and

in the future. I do not think they are going to reduce their imports from us in the long run regardless of any agreement, whether an agreement exists or not. It seems to me that our best strategy in Canada is to retain our right to restrict or restrain, at least, the imports of some manufactured goods that we deem to be important that we can produce ourselves.

I just conclude by saying that we believe that this agreement is a wrong strategy for Manitoba and for Canada. You have the Americans passing their protectionist Omnibus Trade Bill without exempting Canada. Canada can benefit from its own tariff situation that we have, our own protectionist actions when needed. However, that is what we have been able to do right from when Sir John A. Macdonald, the first Conservative Prime Minister of Canada, brought in the national policy whereby he brought in a tariff policy not simply to raise revenues, but a tariff policy to attract industry and to cause manufacturing to grow in Canada.

Under this agreement, we lose the option of that particular device. I say, in the long run, we are going to have fewer jobs in Canada and Manitoba, particularly in manufacturing and certain services. There is no doubt that the evidence shows that American-owned companies tend to maintain higher levels, tend to put—as compared to Canadian-owned companies, American subsidiaries tend to move the jobs, the top-paying administrative jobs, to the United States. The engineering jobs, the management jobs are moved to U.S. head offices usually, and we end up with the plant managers and the plant activities alone.

At any rate, there is no question in my mind that we will have fewer jobs in the manufacturing sector, which is one area that this Minister has to be particularly concerned with. It is going to make his job more difficult, I am convinced. Maybe we will have some more general statements to make when we discuss the Minister's Salary. I think that we have to recognize that this is what is going to happen. There has been nothing said to indicate to us that there is going to be an increase in jobs in manufacturing. There just is not.

* (1650)

Mr. Angus: I am pleased that we have finally come to the conclusion of a long and arduous journey through the mirrors of free trade.

Mr. Chairman, if I may be permitted, like my honourable colleagues, I have some concerns about the Free Trade Agreement. I have seen in the last couple of days the Americans bringing in tariff regulations in pork, and I expect they are going to be bringing some in hydro that are going to penalize us in the near future.

My major concerns, and I will reiterate it for the Minister, is that, if it is the role of the Trade Department to assist in the development and coordination of programs and activities to maximize the benefits accruing to Manitobans from major projects taking place in this province, there is no money, there has been no identification of programs, and there has been nothing set aside that is going to help the winners and the losers.

It does not appear that this Government is taking a responsible position on behalf of Manitobans to adjust, to get the benefits that they are suggesting are going to be available from free trade and/or to help those people who they have suggested "are going to be losers in the free trade deal." I am seriously concerned about the amount of monies that they have set aside to assist making the program that they are going to be implementing work.

However, Mr. Chairman, having said that, I am pleased to pass Sections 10 to E, and move on with this process.

Mr. Chairman: Item 2.(e)—pass; item 2.(e)(1)—pass; 2.(e)(2)—pass.

Item 2.(f)—the Honourable Member for Selkirk.

Mrs. Charles: I would like to address the Minister and ask him, in the area of Rural Economic Regional Development, how he feels regional development can take place when many communities such as Selkirk and Portage la Prairie cannot offer an adequate and continuous water supply for any large industry or even medium industry?

Mr. Ernst: The Member for Selkirk (Mrs. Charles) brings forward a very valid point, that inactivity over the past number of years by previous provincial Governments has created difficulties with regard to environmental protection, particularly in those kinds of communities with large wet industries being located there.

There are a number of things that must be done. We are in the process of attempting to negotiate new ERDA Agreements with the federal Government to provide the kind of infrastructure necessary to support economic development in those communities outside of Winnipeg. We are in the process of doing that, and we are very hopeful that very soon we will be able to make some announcements.

Mrs. Charles: Understanding that issue in particular, the concern of water, has been an issue that has been allowed to develop over many, many years. I would also ask the Minister that the other hidden tax on rural development is the long-distance phone call tax and the rate.

Can this Minister explain how his department will be attracting businesses, especially to areas that will be relying upon the City of Winnipeg, to conduct business in small towns when they have to spend hundreds and sometimes thousands of dollars not only in long-distance phone calls but in federal and in provincial taxes on those phone calls on top of that?

Mr. Ernst: The kind of businesses that wish to locate in rural Manitoba by and large, I do not think, are going to be deterred one way or another by the question of whether there is a federal or a provincial tax on communications. Those taxes occur in any event certainly on any telephone charges that are levied in this province, whether they are in Winnipeg or whether they are outside of Winnipeg.

The Member is quite right that it would be levied on long-distance charges from outside of Winnipeg. The

fact of the matter is, Mr. Chairman, that while substantial perhaps in isolation, the substantiveness of those charges will in fact be relatively small in the overall scheme of most corporate operations. It may, in very extreme circumstances or very rare circumstances, deter someone from locating in rural Manitoba. I do not think it is a major one. It has certainly never been flagged with me, although that is not to say that would not have occurred from time to time. I think, in the overall scheme of things, it is not a major impact on the question of whether business is going to locate in Selkirk or Steinbach or Portage la Prairie or Brandon or Dauphin or anywhere else in the province.

Mrs. Charles: Mr. Chairperson, I would suggest that, when businesses are thinking of putting their roots down into a community, they are going to look at their profitability scale. I know in fact there is one business in the Lockport area that has told me they spend over \$2,000 in the summer season on phone rates. I would suggest that is going to cut into profitability quite substantially. I would hope that this Minister would come up with, in coordination with the MTS Minister, some way that long-distance rates and our provincial taxes on those rates can be taken into consideration for businesses, especially in areas depending upon the centre of Winnipeg for direct communications during the day.

Mr. Ernst: As the Member for Selkirk (Mrs. Charles) indicated that a business in Lockport spent \$2,000 on long-distance charges, the taxes on that are a couple of hundred dollars more or less. The exact taxation rates, I am not exactly sure, but it will be in the area of \$200 to \$300, not an insignificant sum of money. At the same time, is the \$200 or \$300 a major deterrent to that business being located in the Lockport area? Would they in fact decide to move to Winnipeg because of that \$200 or \$300 taxation charge?

The Minister responsible for the Manitoba Telephone System is reviewing the data that was collected over a period of time from the public hearings that the Member for Concordia (Mr. Doer) conducted when he was the Minister responsible for the Telephone System. The administration of the Telephone System, in conjunction with the Minister, is reviewing that data, that input, those requests, demands and concerns expressed by the public of Manitoba with regard to the Telephone System and the way it operates. He will, in due course, be outlining plans for the changes that he sees as necessary and desirable for the operation of the Telephone System.

Mrs. Charles: I would just point out to the Minister that there are many businesses that are developed within the home and inside homes in small areas, and that indeed long-distance charges and the taxes on top of them, if not substantial to their operation, at least are indicative of the lack of support that they feel that they get from the provincial Government. It may indeed be insignificant at times, given the operation, but I think for them it is a cornerstone on which they tag whether the Government is supporting them or whether the Government is putting up hindrances to them.

I hope this Minister will take that into account, because in going door to door during many elections, I have heard from businesspeople out there that they want some recognition by this Government, and they had hoped for it from previous Governments, that they indeed are struggling to survive. As small businesses, they want to grow, they want to develop, but they are being held back all the time by the province, in particular, in the phone rates, especially if they are ordering from the City of Winnipeg or depending on the City of Winnipeg for customers. I would suggest that the area, and particularly developing toward the north and Birds Hill areas, that is going to be part of the program. I have further questions, but it being five o'clock or nearby, maybe the Minister would like to respond to that and we can go on to the next Session.

Mr. Ernst: Mr. Chairman, I am pleased to take notice of the Member's questions, certainly very valid and reasonable questions. I will undertake to raise those questions with my colleague, the Minister responsible for the Manitoba Telephone System (Mr. Findlay), so that those concerns are brought to his attention. I am sure that he is aware of them in any event but if he is not I will undertake certainly to bring those questions to his attention.

Mr. Angus: While the Minister is taking as notice some of these questions, perhaps he would remember that very early in the Estimates I asked for a breakdown, if possible, of the Western Diversification Fund and the monies that came into Manitoba and the grants that were given out. I would like to see that at the earliest opportunity.

The second thing is that there is a suggestion here that there is a Rural Economic Development Committee of Cabinet. The question I am asking is: has that committee been established and, if so, what is the make-up?

The third question I have is the Regional Development Corporation grants of \$700,000-odd that they are giving out. Is there a criteria for the distribution of those grants or are they politically motivated? The Regional Development Corporation grants, is there a criteria or are they done on a constituency by constituency depending on who has been elected basis?

Mr. Ernst: Mr. Chairman, first of all, let me say that with regard to the establishment of the Rural Economic Development Committee of Cabinet, it has not yet been established. It will be established hopefully next week. The Member for Concordia (Mr. Doer) indicates it is slow and, yes, it is, because I have been spending a great deal of time in this Chamber listening to your Members filibuster with regard to the Estimates of this department, your Members baffle-gabbing and filibustering on the Estimates of this department on a regular basis. That is what has kept me from doing the proper kind of work that a Minister of Industry, Trade and Tourism should be doing instead of wasting his time in here listening to that.

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please; order. The Honourable Minister.

Mr. Ernst: Thank you, Mr. Chairman. With regard to the question of whether the RDC grants are provided on a politically motivated basis, you will have to ask my honourable friends in the New Democratic Party. They established the criteria of distribution of these grants.

* (1700)

Mr. Chairman: The hour being 5 p.m., committee rise, and it is time for Private Members' Hour. Call in the Speaker.

IN SESSION COMMITTEE REPORT

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

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

MOTION presented and carried.

PRIVATE MEMBERS' BUSINESS DEBATE ON SECOND READINGS PRIVATE BILLS

BILL NO. 18—AN ACT TO INCORPORATE THE MANITOBA MOTOR LEAGUE

Mr. Speaker: Debate on second readings, Private Bills—Bill No. 18, on the proposed motion of the Honourable Member for Gimli (Mr. Helwer), An Act to amend An Act to Incorporate the Manitoba Motor League; Loi modifiant la Loi intitulée "An Act to incorporate the Manitoba Motor League," standing in the name of the Honourable Member for Dauphin (Mr. Plohman). (Stand)

DEBATE ON SECOND READINGS PUBLIC BILLS

BILL NO. 2—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT

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

BILL NO. 3—THE CORPORATIONS AMENDMENT ACT

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

BILL NO. 13—THE MANITOBA HYDRO AMENDMENT ACT

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

BILL NO. 16—THE REAL PROPERTY AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 16, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels, standing in the name of the Honourable Member for Lac du Bonnet (Mr. Praznik). (Stand)

BILL NO. 20—THE WATER RIGHTS AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for St. Norbert (Mr. Angus), Bill No. 20, The Water Rights Amendment Act; Loi modifiant la Loi sur les droits d'utilisation de l'eau.

The Honourable Member for St. Norbert, by agreement, I believe, had 15 minutes to introduce his Bill.

Mr. Reg Alcock (Opposition House Leader): The Honourable Member for St. Norbert (Mr. Angus), after spending a long and productive afternoon in the Chamber, has taken a very brief recess, not anticipating us to get to this point. I know he is prepared and wishes to speak to this Bill, but he is not here, so we may have to pass to resolutions.

Mr. John Angus (St. Norbert): It is with a great deal of pleasure that I rise to speak on the Bill that my colleagues have supported and I hope that my friends in the NDP will support in relation to amending The Water Rights Act.

If I may be permitted to suggest some history as to how I arrived at this particular Bill and the reasons for introducing it—while I catch my breath, Mr. Speaker—the history of the free trade arrangement between Mulroney and Reagan is flawed in a number of areas. There are a number of serious concerns that have been raised by knowledgeable individuals on both sides of the border. It has been my position and that supported by my colleagues that this particular agreement will be settled in a different court, that is the court of the federal jurisdiction in Ottawa. It is a Bill that was born in Ottawa and developed in Ottawa and has passed the House of Commons and has been forwarded onto the Senate.

It is my hope that the Bill of the free trade issue, in its entirety, will be referred to the people of Canada to decide, one way or another, on the merits of it. My role and that of my colleagues in this particular House and the role that should be the same role of all elected representatives in Manitoba is one of safeguarding the

rights of Manitobans. We look at the Free Trade Agreement in relation to the protection of those rights.

On numerous occasions, I rose and asked Members of the Government, primarily the First Minister (Mr. Filmon), whether or not he had any concerns about the Free Trade Agreement placing Manitoba water basins in jeopardy? By jeopardy, Mr. Speaker, we meant primarily and simply that is there any reason to believe that the Free Trade Agreement will provide access to the Manitoban's future water rights and will the interpretation of the Free Trade Agreement by some future bureaucrats, some future administrators, some future politicians, lawyers and/or judges be such that they will force us to sell Manitoba's water to anybody else outside of the Province of Manitoba without our will and without our pleasure?

* (1710)

I think it is very important at this particular time to recognize that the rules, as we established them now, are to be interpreted by future generations. I believe it is very, very important that the intent and the accuracy of our intentions as Canadians and as Manitobans is absolutely and clearly spelled out. On those occasions that I asked the First Minister of whether he had any concerns, the answers were always and unequivocally no. He did not have any concerns about our water being part of the Free Trade Agreement. They did not have those concerns.

I think that it was interesting to note that subsequent to my asking whether there were any concerns on behalf of Manitobans, the First Minister (Mr. Filmon) of our province indicated that he did not have any concerns on behalf of the people of our province, that his federal counterparts felt compelled to introduced protective legislation in two forms: one was in the form of the Free Trade Agreement; and the other is in the form of a Minister's Bill from the Department of Environment.

The rhetoric that we received from the other side then all pointed out the virtues and the values of the Free Trade Agreement. None of them specifically dealt with or addressed the particulars of the impact on Manitobans and their ability to protect their water.

Hence, looking at an opportunity to protect our sovereign rights in the Manitoba area, me and my colleagues drafted some legislation that we believe will provide the protection that Manitobans deserve in relation to ensuring that future generations of Manitobans will have the right to make their own decisions. I think that is very, very important. We are not attempting to bind the hands one way or the other of future generations. What we are trying to do is enact legislation that will make it absolutely clear to anybody that looks at it in future generations that that decision is going to be one they can make in the future, not by some precedent or some rule that was created or established in 1988.

I think, Mr. Speaker, it is a very important aspect of provincial sovereignty and of the rights of individuals. It will be my hope that if we have an abundance of natural resources that we would willingly share them with our neighbours that are less fortunate and perhaps

need these particular products. I think it is very, very important that we establish right here and right now that we are going to do it willingly and we are not going to do it because we are forced to do it as a result of the interpretation of some regulations that were established by generations gone by.

So I have introduced this particular legislation, this amendment. It is a very modest amendment. It does not cost the Government any money. It reiterates the positions that they have been taking for a long, long time. It simply puts on paper in The Water Resources Act information that allows us as Manitobans to protect the future generations of Manitobans in relation to the use of their own natural resources in water. I would urge all Honourable Members of this House to support the inclusion of the minor amendments in relation to the protection of the water Acts in Manitoba. Thank you.

Hon. James McCrae (Attorney-General): Mr. Speaker, in the name of the Minister of Industry, Trade and Tourism (Mr. Ernst), I should like to move, seconded by the Honourable Member of Municipal Affairs (Mr. Cummings), that the debate be adjourned so that it can stand in the Minister's name. I would ask leave of Honourable Members that it be allowed to stand in the name of the Minister of Industry, Trade and Tourism (Mr. Ernst).

Mr. Speaker: Does the Honourable Member have leave? (Agreed)

Therefore, it was moved by the Honourable Attorney-General (Mr. McCrae), seconded by the Honourable Minister of Municipal Affairs (Mr. Cummings), that debate on Bill No. 20 be adjourned and it will stand in the name of the Honourable Minister of Industry, Trade and Tourism (Mr. Ernst).

PROPOSED RESOLUTIONS

RES. NO. 9—CHILD CARE SYSTEM

Ms. Judy Wasylycia-Leis (St. Johns): I move, seconded by the Member for Concordia (Mr. Doer),

WHEREAS under the former NDP administration, Manitoba had the highest child care standards, the greatest number of child care spaces per capita and the highest public expenditure per capita in the country; and

WHEREAS Manitoba led the nation in building a fair and equitable child care system by establishing and enforcing standards, incorporating training and salary subsidies for child care workers, providing grants for the creation of non-profit spaces and providing parental subsidies based on need; and

WHEREAS the taxpayers strongly approved of the policy of providing public funds only for the development of quality non-profit child care; and

WHEREAS the need for child care far exceeds the funds committed under the federal child care program; and

WHEREAS the largest percentage of the funds committed under the federal program is to be spent through the tax system, which benefits wealthy Canadians and gives nothing to most low income families; and

WHEREAS the 200,000 spaces targeted under the federal program represent less than half the number required, according to most estimates; and

WHEREAS under the federal program, provinces can target money to commercial day cares, which will result in an inefficient use of tax dollars; and

WHEREAS a quality national child care program requires national standards, which are lacking in the current federal program; and

WHEREAS no real maternity and parental leave program, that would give parents a choice of staying at home with young children, has been included in the federal program; and

WHEREAS it would have been much more fiscally responsible, and created more spaces if the federal Government had followed the former Manitoba plan for a national child care program, with adequate funding to ensure the delivery of accessible, affordable, quality, community-based and non-profit child care.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the federal Government to strengthen its national child care program by incorporating the changes outlined within this resolution to ensure the delivery of accessible, affordable, quality, community-based and non-profit child care and adequate maternity and parental leave; and

BE IT FURTHER RESOLVED that this Assembly direct the Clerk to forward copies of this resolution to the Prime Minister of Canada and the federal Minister of Health and Welfare.

* (1720)

MOTION presented.

Ms. Wasylcyia-Leis: I am very pleased on behalf of the NDP caucus to sponsor this resolution and to speak on behalf of my colleagues about the importance of this public policy area.

I think it is only fitting that this debate occur today, at this very time, about 15 minutes from the time of the Minister of Community Services' (Mrs. Oleson) announcement regarding an offer that is just a little too late for the child care workers of the Province of Manitoba, and I think it is fitting that we should debate this issue, Mr. Speaker, when we have once again learned from the Minister of Community Services that she has not prepared to submit a Manitoba negotiating position, a Manitoba plan of action to the federal Government, not prepared to seek the advice of those involved in the child care field for ensuring that that plan, that strategy, that negotiating position is reflective

and sensitive to the needs of Manitobans, and that she is in fact prepared to sit and bargain and negotiate from a position of weakness rather than strength.

In the context of this resolution, the Minister of Community Services (Mrs. Oleson) does the people of Manitoba and the people of this Legislature a great disservice. I think all of us, on this side of the House, are appalled by the second flip-flop of this Government in just 24 hours by another example of adhocery at its perfection.

All of us were very concerned with the announcement of this Government's child care policy of one week ago today. All of us were appalled that this Government was prepared to embark on a new course of direction in child care funding that would, in fact—and if it proceeds—will set us back a great deal in terms of progress achieved to date. All of us were very concerned by the fact that this Government choose to ignore not only the needs and wishes of parents, the needs and wishes of children, but the needs and wishes as well of day care providers in the Province of Manitoba.

It was a slap in the face for child care workers who have built the best child care system in North America, who have pioneered the best system anywhere in North America, who have dedicated their time and energy and skills and expertise to ensure that the children of this province receive the best possible care.

It was a slap in the faces of all of those people I have mentioned to receive news that the fact that they are among the lowest paid professionals in the country, the fact that they continue to be denied proper recognition for the work that they play in building a better future for this province, was at the essence, was at the heart of the Conservative Government's policy on child care, that there was absolutely no recognition for their work, that there was no inclusion in that policy announcement of a Salary Enhancement Grant; that there was no reference in real terms to the important contribution they make to our society, was an insult and a major setback to all of us concerned about care of children, about healthy and happy families and about decent communities.

To receive news today—because the pressure is building across the province, because day care workers, providers, parents and volunteer board members are expressing their concern on a daily basis to the Minister of Community Services (Mrs. Oleson) and, indeed, to all Members of this Government—that they have bowed to that pressure a week after making their splashy announcement of a new day care policy for the Province of Manitoba. It is a little too late and it is being done for the wrong reasons. The child care workers of this province deserve more and they deserve it in real terms, in real monetary terms as this previous administration had committed itself to doing. They deserve it in terms of serious recognition for their work as trained professionals.

It is a sad day that we embark on this serious debate. It is a sad day because child care workers in this province have been treated so shoddily. It is a sad day because this Government has not made any serious representation to the national Government of this

country for adequate resources and adequate recognition to the National Child Care Strategy which this resolution addresses.

I think there is probably one thing that all of us in this House will agree on, and that is that our children are the future of this province and that we should be all investing in that. We should be investing in building a proper, a decent and a bright future for the children of this province; but I am sure where we start to drift apart, where we start to divide ranks is when it comes to the importance of child care policy for any Government in this country, when it comes to the treatment of child care in the public policies in the departments at all decision-making levels of a province like Manitoba.

Mr. Speaker, it has been our experience to date with this new Government that they have failed to recognize that child care is a public policy at the highest level, that child care is an issue that should be placed at the top of the political agenda, that child care is an area that must receive our fullest and most serious attention here in the Legislative Assembly of Manitoba. Regrettably, that has not been the case to date. In fact, the opposite is the case.

The fact of the matter is that whether we are talking about provincial policy and provincial Government action or we are talking about federal policy and federal Government action, we can turn to neither for hope and confidence and a sense of assurance that the needs and the wants of Manitoba's parents and families are being met.

In fact, it would almost appear that on both counts in the case of this provincial Conservative Government, and in the case of the federal Mulroney Conservative Government, there is very little awareness of the facts, very little understanding of the issues that are before us and very little commitment to serious action on resolving the problems and concerns being presented to all of us.

In fact, I do not even think Members on that side of the House understand how the world has changed over 20 years, really understand how the labour force participation of women has increased, and for what reasons women are entering the labour force in greater numbers. We have many examples in the past of intolerance and lack of acceptance on the part of Members opposite for the changing role of women in our society, the changing role of family in our society. And there has been very little indication that they understand that today, in 1988, almost 60 percent of families have two earners in the family.

There is very little evidence on the part of the actions of Members opposite that they realize that today, 1988, almost 60 percent of mothers with pre-school children are in the work force. There is very little evidence on the part of the actions of Members opposite, that the number of single-parent families headed by women has increased by approximately the 5 percent of 20 years ago to 13 percent today.

There is very little recognition on the part of Members opposite, on the part of the Conservative Government,

for the 2 million children in Canada whose parents work or study on a full-time or a part-time basis. There is no indication that they understand that only 11 percent of those 2 million children, barely 11 percent—I think it is closer to 10 percent of those 2 million children can be accommodated in licensed, proper, supervised day care arrangements right across this country.

From our point of view, we build on the facts before us. We build on the statistics. We build on the changing role of women and of family in our society and recognize today that for working people to provide decent living conditions for their families and for women who seek careers on their own merits, child care is an absolute necessity.

On that basis we have to ask ourselves, what do we do about the fact that only 10 percent of the children who need care outside the home are receiving licensed child care. Licensed child care—that means care in centres or in homes which have high standards set for the children by legislators, high standards set by community activists and guaranteed standards through inspection.

* (1730)

Another way to look at the serious problem facing all of us and why we are calling upon this Legislature to plead with the federal Government to reform its policies, to change its National Day Care Strategy, to put in place meaningful legislation, even though at a very late date, even though four years after the Prime Minister of this country said this was an urgent problem that had to be addressed immediately, the other way to look at the problem is to recognize and to believe the statistics, the studies, the national documentation, which indicates that about 50 percent of all children under the age of 12 require care because their parents are working on a full-time basis or a part-time basis every day of the week. Of those which require care, about 50 percent of the parents choose some form of licensed care. On the basis of those statistics, we have to ask ourselves: How are we doing as a Government here in the Province of Manitoba? How are we doing as a national Government in responding to the needs of those children?

Members of the Conservative Government here in this Legislature have stood up time and time again and said they are concerned about the welfare of our children, have said that their policies are designed to benefit the children of this province, but we have seen no evidence to date that is actually the case. We have seen no evidence of a policy that actually responds to the needs of parents and children in this province.

What does this Government's policy, announced one week ago today, do for the approximate 15,000 to 18,000 children who are now without licensed day care and not in licensed settings of any sort, but whose parents work full or part time throughout the week on a day-to-day basis. What are we doing to respond to the thousands and thousands of children left in often precarious, uncertain, risky, potentially unhealthy, potentially

Mr. Speaker: Order, please. The Honourable Member's time has expired.

Hon. Charlotte Oleson (Minister of Community Services): I am pleased to rise today to address the resolution put forward by the Member for St. Johns (Ms. Wasylycia-Leis). The resolution, I might add, that I do not believe or agree, rather, with everything that is in it, but I agree definitely with her right to place it before us. I am quite pleased to debate it.

We have debated child care resolutions in this House before. I have usually taken part in that debate. Somewhere, the knowledge seems to be lost on that particular Member who introduced this resolution and Members particularly of the New Democratic Party, the message and the information seems to be lost on them that this side of the House is interested in child care and in social services and all the people issues. It is not the prerogative or only the territory of the NDP Government to be interested. We are all interested. The Conservative Party has demonstrated over the years their interest and their concern and their willingness to move on aspects of social policy and social justice.

I was rather appalled to hear—and now I am borrowing the word of the Member herself. She said she was appalled at announcements that were made last Tuesday, she was appalled at announcements made today, and she was generally appalled. I am wondering if the Member is really appalled at an announcement that 500 more children in this province will receive day care subsidies. Is that appalling? To me, that is wonderful news, that 500 children who did not receive a subsidy before are now to receive a subsidy in this province. That, to me, is not appalling news. That is exciting news.

Is she appalled that 525 more spaces will be funded? Is she appalled at that? I think that is progress. We are building brick-by-brick on top of a system that was in place. When I came in the door of that ministerial office, there was a day care system in place. I am not arguing about that. It is in place. It has its regulations and its licensing procedures and its subsidy procedures. We promised, during the election, we would change the policy with regard to subsidies. That should be not something that is appalling to the Member. She should not be surprised or unduly exercised about it, because we promised in the election that was a policy that we wished to take. We felt that the subsidy should go with the child, no matter what centre the child was in.

The Member has indicated in questions to me, in this House and also in questions to me in the Estimates process, some great concern about licensing and regulations. She forgets that under her Government these private centres that are independent centres that are now in place were licensed and regulated. They were there. It should not be appalling to the Member that someone should want to say that a child who goes to that centre and is from a low-income family should not (sic) receive a subsidy. I cannot quite understand what the Member is so terribly, terribly upset about.

She also said some other things that really surprised me. She said that I was not prepared to consult. I wonder what the reason would be, what the expectation would be of someone who has announced a task force and is about to announce the personnel who will be on that task force. What is that if it is not consulting?

I find that one of the purposes of a task force is to find out what people are thinking about the system. The system has been in place for some time. Complaints have been made to me, suggestions have been made to me about various aspects of that system. What we would like to do is take a look at it to be sure that it is working the way parents want it. We want to be sure that parents are satisfied with the system, that they do indeed have the choices that we want them to have and the flexibility. So that is one way of consulting.

* (1740)

It is inviting people—come and tell us what you think of the system. What would you like to see done differently to improve it? What do you see that is wrong with it? What do you see that is right with it? They can very well come before us and tell us that the system is perfect. In reality, no system is perfect so we would not expect that kind of reaction from people. There are various concerns, and concerns that have been raised to us about the subsidies was one particular item which we felt we could address immediately, and that was done.

The Member also is quite exercised over the fact that an announcement was made today about salary enhancement, and she says it was too late. I wonder what it is too late for because, if the Member will realize, these subsidies do not come into effect until January. That has been the custom. The 1st of January in '89 is when this will come into effect. It had been my intention, during the Estimates process, to announce various aspects. As we came to that line in the Estimates, we would make announcements pertaining to that line.

Mr. Speaker, I do not suppose you have had the time, but others who have been in that committee will know that we have wandered far afield into various subjects. We have not stayed on the line particularly of day care. We have discussed day care under very many aspects of the—

Mr. Speaker: Order, please. The Honourable Member for St. Johns, on a point of order.

Ms. Wasylycia-Leis: I would like to remind, Mr. Speaker, that it was in response to a question in this House about the Salary Enhancement Program that the Minister responded that matter was referred to the task force. For her to suggest that she was going to dribble it out in the Estimates process and to blame the Opposition for trying to get some answers in the Estimates process is not at all in line with the facts, and I seek your advice on this matter.

Mr. Speaker: Order, please. The Honourable Member does not have a point of order. A dispute over the facts is not a point of order.

Mrs. Oleson: Mr. Speaker, this is rather interesting because, if the Member (Ms. Wasylycia-Leis) has read the press release that went out today, the press release clearly stated that this matter is going to be before the task force. The whole matter of Salary Enhancement

Grants has been one that has come to my attention in the weeks that I have been in office. There have been some concerns about it and I want the task force to look at it.

As I was saying when I was interrupted, in the Estimates of Community Services, if we could debate the lines as they are printed in the Estimates Book, we could get it done with some expediency and some order and probably get a lot more information because of the staff being there at the right time and so forth. I am rather surprised that the Member, who was one of them that has been wandering all over the place in the Estimates process, cannot understand why some of these announcements have to be made, so it may be out of sync with Estimates.

The Member made some reference, of course, to women in the work force and gave us some statistics on that which are very interesting. I think that she should notice by giving a freedom of choice to people who are in need of day care, we will also be assisting parents who need to get into the work force by making it handier for them to have their subsidy paid in a day care that is perhaps a great deal handier to them than the public centre where they could—before this policy announcement changed—get their subsidy. So I think the Member and her Party does a disservice to the whole child care system by trying to bring in red herrings about the word “profit” and so forth, as if we were paying money to profiteer. We are paying money to children of low-income families and that seems to have been lost on the Member for St. Johns (Ms. Wasylycia-Leis) and some of her colleagues. I am sure some of her other colleagues, Mr. Speaker, understand that clearly but we do not hear from them.

One of the things that we have noticed over - (Interjection)- Mr. Speaker, how much time have I got?

Mr. Speaker: The Honourable Member has five minutes remaining.

Mrs. Oleson: Thank you. Mr. Speaker, the Member refers in her resolution to the federal day care policy, and she is saying that there is no hope from the federal Government with regard to child care. Well, I take exception to that. I do not think that she can name another federal Government that has been in power in this country who has put \$6.4 billion into child care. I do not think she can name one. She says there is no hope for child care with the federal Government who had just allocated and are in the process of passing legislation to give this country \$4.6 billion. I am not talking about Sweden; I am talking about a federal Government of Canada. There has not been another one in Canada that has done this. This is the first time a federal Government has addressed this issue.

* (1750)

Mr. Speaker, I do want to, before my time runs out, assure the Members that the federal day care plan will be hotly pursued by this Government to get as many dollars as we possibly can. I take exception with the Member's resolution with her references to the federal Government, and I would like to move, seconded by the Member for Kirkfield Park (Mrs. Hammond), that:

The resolution be amended by deleting all the words after the word “had” in the 1st paragraph, substituting the following therefor: A system of day care which was inflexible and not meeting the needs of all Manitobans; and

WHEREAS Manitoba had an inequitable system and a structure of subsidies that did not respect the rights of parents to choose the most appropriate child care; and

WHEREAS Manitoba taxpayers want a sensible balance of workplace, private and public day care; and

WHEREAS the federal Government has committed \$6.4 billion to double the number of child care spaces in Canada; and

WHEREAS under the federal program there is flexibility to provide parents with a range of child care alternatives; and

WHEREAS this Government is committed to quality child care that is affordable and accessible;

THEREFORE BE IT RESOLVED that this Government work in consultation with child care providers, parent users and the federal Government to provide a quality day care system that is affordable and accessible and meets the needs of all Manitobans in urban, rural and remote areas.

POINT OF ORDER

Mr. Speaker: Order, please. The Honourable Member for Churchill.

Mr. Jay Cowan (Second Opposition House Leader): On a point of order. Upon first reflection, the amendment certainly sounds to be out of order as it is contrary to the original intent of the motion. However, I believe that Members of the Opposition could be helpful in helping you determine whether or not it is out of order if we had a copy of the amendment and the opportunity to peruse it for one moment, to confirm what it is we heard when it was being read.

Mr. Speaker: Would the Honourable Member like me to read the amendment?

The Honourable Member for Transcona, on a point of order.

Mr. Richard Kozak (Transcona): To the point of order raised by the Honourable Member for Churchill (Mr. Cowan), we would concur that this particular amendment is indeed out of order on the grounds that it reverses the intent of the original resolution.

Mr. Speaker: The Honourable Member for Churchill, on the same point of order.

Mr. Cowan: Just to clarify our objection to this particular amendment, I think if you would look at Beauchesne, Citation 431, it will show that “An

amendment to alter the main question, by substituting a proposition with the opposite conclusion, is not an expanded negative" in this particular instance, "and may be moved." However, when an amendment that is put forward that is—and I am trying to anticipate. I hope I am not out of order trying to anticipate your own consideration of this amendment. However, this amendment is so totally foreign to the original intent of the motion that was put before the House by the Member for St. Johns (Ms. Wasylycia-Leis) that to allow it to be moved without having ruled it out of order, I think, would be to . . .

Mr. Jerrie Storie (Flin Flon): Invite.

Mr. Cowan: Well, to use the word from the Member for Flin Flon (Mr. Storie), it would be to "invite" a conclusion that is contrary, and to use a vernacular not friendly to the original motion. If the members opposite want to, by way of a Government motion, or by way of a Private Member's Resolution, move a motion to this effect, they would be perfectly entitled to move a motion to this effect and we would be pleased to debate that particular motion.

But to move a motion to this effect by way of an amendment to the motion which was put forward by the Member for St. Johns (Ms. Wasylycia-Leis), I think, would be contrary to not only the rules, as outlined in Beauchesne and numerous other parliamentary experts and books on the subject, but would be contrary to the common usage of the rules as exhibited in this House over the number of years that I have been here, and certainly contrary to the common usage of the rules that we find in the Common Practices and Procedures that we find when we review the Hansards of the House of Commons and when we review the Hansards of other jurisdictions.

There are a number of precedents which could be quoted that would show very clearly that in the past in this House these sorts of amendments have been ruled out of order. I am certain, with just a moderate amount of research, Mr. Speaker, one could find precedents that would go back indeed to the 1600s that would clearly substantiate the point that—

Hon. Gary Filmon (Premier): Not having any precedents at your disposal, you are having to rely on your own oratorical skills to prove your case.

Mr. Cowan: Well, the First Minister (Mr. Filmon) makes my point. In this particular instance it is oratorical skills that will make the point, and the point is, Mr. Speaker, that this is a complex amendment, but the complexity of the amendment cannot hide the fact that it is contrary, entirely 180 degrees opposite to the impact of the motion that was put forward by the Member for St. Johns (Ms. Wasylycia-Leis).

Mr. Speaker: Order, please. The Honourable Government House Leader, on the same point of order.

Hon. James McCrae (Government House Leader): Mr. Speaker, I will be very brief. The House Leader for the Third Party (Mr. Cowan), his argument fails by virtue of the very citation he cited at the very beginning of his comments, Citation 431.

Mr. Speaker: Let me thank all Honourable Members. The Honourable Member for St. Johns, on the point of order.

* (1800)

Ms. Wasylycia-Leis: Mr. Speaker, I rise on this point of order because, as the author of the resolution, I think it is important to note, as my colleague, the Member for Churchill (Mr. Cowan) has already outlined, and has a great deal more experience than I on these matters, but has pointed out that the amendment proposed by the Minister for Community Services (Mrs. Oleson) is indeed totally different, totally contrary to the intent of the resolution that I put forward on behalf of my caucus. It would seem to me that, as my colleague, the Member for Churchill (Mr. Cowan) has pointed out, the Member opposite has an opportunity to introduce her own resolution—

Mr. Speaker: Order, please. Order. I would like to thank all Honourable Members for their input. I see no other option but to take this one under advisement.

The hour being 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).