

# THE LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 6, 1978

Time: 2:30 p.m.

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** At this particular time, I should like to direct your attention to the Speaker's gallery where we have the pleasure this afternoon of having as our guest Mr. Bobby Hull, together with Mr. Michael Gobuty, president of the Winnipeg Jets, and Mr. Bob Bell, director of Marketing and Public Relations for the Hockey club.

We also have 25 students of Grade 10 standing from St. Theresa Point. These students are under the direction of Mr. C. Smith and this school is located in the constituency of the Honourable Member for Churchill.

On behalf of all members, we welcome you here today.

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

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**HON. STERLING R. LYON, Premier (Charleswood):** Mr. Speaker, with leave of the House, I wonder if I might be permitted to make a non-controversial statement relative to the presence in the Chamber today, or in your gallery, Sir, of Mr. Bobby Hull and merely to place on the record the fact that Bobby Hull came today to receive a small memento from the people of Manitoba and the Government of Manitoba on the occasion of his having scored the 1,000th goal of his professional career.

As I said recently, on the landing of the Grand Staircase, the tribute is not merely to Bobby Hull for achieving that tremendous personal and professional record in hockey but equally as much, it is for the role that he has played — the outstanding role — in sports circles throughout the world and by which he has established himself as an example of good sportsmanship, good clean hockey which is what we want all of our youngsters to aspire to, and the ideal and the example that he has set for youngsters throughout the world. So we are particularly delighted to have Bobby and his colleagues here today to receive the acknowledgement of the people of Manitoba, both for his 1,000th goal but more particularly for his being a citizen of Manitoba, one whom we hope will continue for a long time to be among us and to continue playing hockey in the outstanding way that he has during all of his professional career.

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

**MR. EDWARD SCHREYER (Rossmere):** Well, Mr. Speaker, I very much want to join with that very obvious non-controversial statement, one of the very few that we have the pleasure of engaging in in this House. And in doing so I want as well to join in the remarks with respect to someone who has become very much a part of the Winnipeg scene and the Winnipeg community and its life, to also express a commendation for the achievement in sports, 1,000 goals. It is unlike politics, Sir, not possible in politics to achieve 1,000 goals. Indeed it is questionable whether we can achieve even a small fraction of that, and then too, we sit longer in the penalty box. — (Interjection) — Like four years.

But a four-year stint in the penalty box, Sir, nevertheless, under our democratic system I have the privilege of rising to join with the First Minister in expressing words of appreciation and acknowledgement to a fine Canadian and Winnipeg and Manitoba are privileged to have him in our midst.

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

**HON. ROBERT (Bob) BANMAN (La Verendrye):** Mr. Speaker, I'd like to table the report of the Franco-Manitoban Cultural Centre.

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

**HON. GERALD W.J. MERCIER (Osborne):** Mr. Speaker, I wish to table the 19th Annual Report of the Municipal Board for the year ending December 31st, 1977.

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

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I had hoped to be able to rise today and say that barring unforeseen circumstances — I now have to change that statement to say that in spite of foreseen circumstances — it is the intention to present the Budget for the Province of Manitoba next

Monday afternoon.

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

**MR. BANMAN:** Mr. Speaker, I'd like to make a Ministerial Statement. I have copies for the pages.

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

**MR. BANMAN:** Mr. Speaker, I'd like to announce the acceptance of an offer to purchase Dawn Plastics Limited and the Manitoba Development Corporation's debt position in that company.

The company which manufactures blow-mold plastic containers was sold to a group of Winnipeg businessmen headed by Mr. Aaron Goldman. Authorization for the sale of the company was passed by the Board of Directors of the Manitoba Development Corporation and ratified by Cabinet.

The sale will result in net proceeds to the Development Corporation of approximately \$300,000.00. The sale of this company will result in a loss to the MDC of about half-a-million dollars.

The company's Profit and Loss Statement for the eight months ending January 31st, 1978, unaudited, showed a loss of \$57,259, bringing the total deficit at the time of the offer for sale to \$453,356.00.

The MDC Board chose not to accept offers to purchase the building which Dawn is located in because it felt that prices offered were not high enough at this present time.

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

**MR. SCHREYER:** Mr. Speaker, I will confine my comments to two points. The first is that I would very much like to ask the Minister that in the future, if we are to be presented with a statement such as this, that in addition to the numbers that are used herein, that some effort be made to attach a balance sheet in the last previous year in which the auditing had been carried out, by whatever professional firm of auditors, so that some appreciation could be had at least as to the audited statement version of estimated assets and liabilities.

And then too, the second point that I refer to is that we are told in paragraph four, that as a result of the sale of the company, there will be a loss of \$500,000.00 But that, Sir, is based on the sale of the equipment. The sale of plant or building is by the last paragraph apparently excluded and unless we have some estimation as to the broken out or separated value of plant as opposed to equipment, it is not possible to get an overall comprehensive picture.

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

## INTRODUCTION OF BILLS

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY** introduced Bill No. 6, The Freedom of Information Act.

## ORAL QUESTIONS

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

**MR. SCHREYER:** Mr. Speaker, to the Minister of Finance, given that according to the announcement of the Federal Minister of Finance that a budget will be forthcoming sometime this month, assuming that there is still two weeks time or more, can the Minister indicate whether it is his intention to communicate any proposal or request to the Federal Minister of Finance with respect to the problem of providing employment for young people this coming summer in the hope that it could be incorporated into the Federal Budget.

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

**MR. CRAIK:** Well, Mr. Speaker, on the first part of the question, perhaps my introductory comment about the foreseen difficulties in wasn't realized what I meant. The foreseen difficulty that I didn't foresee in making my plans for Monday is that the now foreseen difficulty is the fact that the Federal Budget is coming in next Monday night, four or five days from now, and we had planned to bring our Budget in on Monday. I just discovered an hour or two ago that the Federal Budget is coming in on that same night so it's going to be a rather crowded day. Mr. Speaker, although it's not of any great local impact or importance, the British Columbia Budget comes in on Monday as well.

On the second part of the question with regard to assistance for young people in the job scene, we expect to have a measure contained in our Budget on Monday. Whether or not the Federal Government has anything in theirs, I couldn't answer the First Minister at this time.

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**MR. SCHREYER:** A supplementary, Mr. Speaker. I'd like to ask the Minister of Finance if he has had opportunity in the past couple of weeks then or so, to discuss or to make representations, at least, to the Federal Minister of Finance with respect to the possible emulation here in Canada, at the federal level, of a program similar to that announced in the United States in the past few weeks at the federal level, with respect to the hiring of an additional 415,000 people into the public service of that country? Proportion-wise to Canada, I imagine that would be some several tens of thousands. Has the Minister discussed this in any fashion whatsoever with the federal counterpart?

**MR. CRAIK:** Mr. Speaker, in reply to the question of the Leader of the Opposition, the general question of employment naturally has been upper and one of the top topics of discussion at an exchange of finance information. But the topic of direct employment into government service hasn't necessarily been the top consideration of those discussions. There have been a wide range of options looked at and, as I mentioned, I expect on Monday that the Manitoba Government itself will indicate what its feelings are on that matter. I can't indicate to him what is likely to be in store from a national point of view on that topic, though.

**MR. SCHREYER:** Well, Mr. Speaker, I would like to direct my next question to the Minister of Tourism. Could the Minister of Tourism advise whether it is correct that a number of employees — at least two in number — have been transferred by the province to the employ of the Manitoba Hotel Association, along with funds to cover their salaries and related costs?

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

**MR. BANMAN:** Mr. Speaker, I'll take that question as notice.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Thank you, Mr. Speaker. I would like to ask a question of the First Minister. In his statement to the weekly demonstration meeting that we had today he indicated that he was both meeting with members of a delegation and proposed to meet with members of the university administrations.

Can the Minister indicate whether those meetings are to entertain proposals of programs for review of the financial arrangements that the government has indicated for the universities, and to ensure that there would not be any hardships or students prevented from re-entering university next year as a result of the cutbacks?

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

**MR. LYON:** Mr. Speaker, in response to the Member for Fort Rouge, the Minister of Education and I did meet with a representative group of the Faculty Association and the Students Union, I believe from the three universities and also from Red River Community College, immediately after the brief words were spoken on the front step. That meeting took place before the House met today.

I announced, as well, that a meeting would be held between the Minister of Education, probably the Minister of Finance and myself with the presence of the three universities. I think it's in approximately ten days' time. As to the discussion that will take place at that meeting, naturally, we will expect the Presidents to advise us of any problems that they may have with respect to the level of funding that has been accorded to the universities this year. I expect that there would be free exchange of information in that regard, and there may possibly be matters arising from recommendations of the Task Force that they may wish to discuss with us as well.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** A supplementary, Mr. Speaker, to the First Minister. Can he indicate, as a consequence of the meetings that were held today with the different representatives that he outlined, whether any action will be taken by the government in response to the requests or demands that those delegations issued at their meeting this afternoon.

**MR. LYON:** Well, Mr. Speaker, we were left a large number of suggestions and petitions from the students and so on, which will be reviewed. We did have a general discussion about the financial situation of the province, and I said to the group with whom we met that, and I say it to the honourable member, that when the Budget comes down on Monday next I think that the situation in which the province finds itself, albeit a temporary and a transitional one, we hope, will be made available and free knowledge to everyone in Manitoba, and I think they can form their own conclusions as to what any government of Manitoba at this present moment is capable of doing, in terms of the fiscal restraints that we must of necessity operate under.

**MR. AXWORTHY:** Supplementary, Mr. Speaker. Can the First Minister indicate whether the Cabinet in its meeting, I believe it would be yesterday or today, took any action on the proposal that

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the Minister of Education outlined last week that he said he was going to submit, a proposal for additional job programs for students in this summer program, considering that the university year is about to end within a very few weeks. Can he make any announcement or indicate whether the Cabinet has now agreed to the proposal put forward by the Minister of Education?

**MR. LYON:** Mr. Speaker, again to the Member for Fort Rouge. I realize that he hasn't as yet, although he's still got life and time ahead of him, hasn't as yet sat around the Cabinet table, so he will be well aware of the fact that one does not discuss in the House or elsewhere until a statement is ready to be made, what transpires at the Cabinet table. But as and when any announcement in that regard has been decided upon, of course the House will be so apprised.

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

**MR. LAURENT L. DESJARDINS:** Mr. Speaker, my question is to the Attorney-General. Does my honourable friend understand the importance of providing services in the two official languages of this land and — (Interjection)— that's a joke to certain people, Mr. Speaker — and if so, I wonder why my honourable friend made the statement that even if the Federal Government provided that this would be possible in the courts, that this would not happen in Manitoba.

**MR. SPEAKER:** The Honourable Attorney-General. **MR. MERCIER:** Mr. Speaker, I did not make that statement that has been referred to by the Member for St. Boniface.

I indicated firstly, Sir, that there had not been demonstrated in Manitoba up to this period a real need or a demand for this kind of service in criminal courts, that under the present provisions of the Criminal Code of Canada a French-speaking person has the right to elect a mixed jury, and that had only occurred twice in the past 25 years. I indicated that we were not ready at this time to assume this immediate service as we are not aware of this demand and we will have to undertake further discussions with the federal officials, as Mr. Basford has indicated will be consulting with officials in every province of this country.

I also indicated that although Mr. Basford had in his press report and in his information indicated that the facilities of the Federal Government for bilingual training could be made available that this was not our prime concern. There have, of course, in past years been judges who have taken bilingual training but it is doubtful that that would enable them to preside over a fully bilingual trial and that we were more concerned with the costs of interpretation and other expenses that might be involved in providing this service and that's what we would wish to raise with federal officials.

It's probably noteworthy, Mr. Speaker, that this legislation has been introduced at this particular period of time. It will, in all likelihood, not be passed and is more than likely a balloon that is being flown just prior to a federal election campaign.

**MR. DESJARDINS:** Well, Mr. Speaker, I don't think that we needed the last few sentences from the Minister. That is not his duty to make these kind of comments. But I would like to know from my honourable friend where he gets the information that there has been no need, or no demand, even though some people with a French name might feel that way, others don't; and secondly, I would like to know if any of his staff has been in contact with Ottawa, or Ottawa in contact with his staff, and they have agreed that they would go along. Was that countermanded by the Minister?

**MR. MERCIER:** Mr. Speaker, I raised that second part of the question with my staff and there have been no commitment to the knowledge of my Deputy Minister that the Province of Manitoba is ready to proceed immediately with the delivery of that service. I thought I had quite clearly indicated, Sir, that my comment on the need or the demand for this kind of service was based on the fact that there had only been two requests for mixed speaking juries in the Province of Manitoba in the last 25 years.

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

**MR. BEN HANUSCHAK:** Yes, Mr. Speaker. I wish to direct my question to the First Minister with respect to the proposed meeting that he has committed himself to have with the universities or faculties and students. At that meeting, would he be prepared to deal with matters other than university grants and tuition fees but in addition to that, matters of concern to students, and namely, student employment if they get mention, but also student aid, housing, rent, particularly rent as it will affect students after the removal of rent controls?

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

**MR. LYON:** Mr. Speaker, I believe that my honourable friend's question was almost totally answered when I responded to the Member for Fort Rouge.

**MR. HANUSCHAK:** Yes, Mr. Speaker, I have a supplementary question for the First Minister. In view of the fact that in speaking in this House in closing the Debate on the Speech from the Throne, that he made a distinction between students and taxpayers. Could he indicate to us which provincial taxes students are exempt from paying by virtue of their being students and could he indicate to them how they could avoid suffering the harassment of being doubly taxed by having to pay tuition fees

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and contribute to the 86 or 87 percent or so of university costs by the taxes that they pay in relation to their earning and spending capacity and utilization of taxable services?

**MR. LYON:** Mr. Speaker, I'm not customarily in the habit of answering what might be termed as frivolous or vexatious questions.

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

**MR. RONALD McBRYDE:** Mr. Speaker, I would like to ask a question of the Minister of Education under the assumption that he will answer reasonably. Over a week ago, the Minister of Northern Affairs said that within a few days we would have some indication from the Universities Grants Commission about the partial reinstatement of the Inter-Universities North Program. I wonder if the Minister could tell us what that partial reinstatement of the eliminated program involves.

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

**HON. KEITH A. COSENS (Gimli):** Mr. Speaker, I don't have the exact figures on that. I can get them for the honourable member and we'll take the question as notice.

**MR. McBRYDE:** Yes, Mr. Speaker. A supplementary to the same Minister. I wonder if the Minister could inform the House how many of those civil servants at Keewatin Community College at The Pas that were replaced by contracting out, how many of those have been assisted in finding alternate employment.

**MR. COSENS:** I can't give you the exact figures on that, Mr. Speaker, at this time. Again, I will look into it and find out exactly how many have been assisted.

**MR. McBRYDE:** Yes, Mr. Speaker, to the same Minister or perhaps one of his colleagues, I'm not positive. I wonder if the Minister could confirm that the local persons employed by the fisheries training centre at Hnaua, that the local people there employed will be laid off in the near future and whether programs of training fishermen are being drastically reduced.

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

**HON. KEN MacMASTER (Thompson):** To the Member for The Pas, the program for training fishermen is being considered to be completely deleted.

**MR. SPEAKER:** The Honourable Minister of Public Works.

**HON. HARRY J. ENNS (Lakeside):** Well, Mr. Speaker, I would like to take this opportunity to correct some information that I gave the House yesterday that is incorrect and recorded in Hansard. On Page 447 of Hansard, it is indicated that I refer to a 30-foot bronze statue which the former Minister of Public Works commissioned that is to repose over the six gas pumps of the \$3 million building that we don't need, that could have well gone to university costs, I might add. That information is incorrect. The media, Ms. Maryann Fitzgerald, and Ms. Jenny Morton have it correct. The statue is only 21 feet long and the cost is only \$10,000 and it is not a statue of the Minister reposing over the six gas pumps. I think it's a plaque, it's a mural that goes against the wall. I don't know what it is — Custer's Last Stand or something — but I wanted to be reasonably accurate and also draw to the attention of the House that when the media is right, that certainly those of us are the first ones to recognize it.

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

**MR. RUSSELL DOERN:** Mr. Speaker, I think I have the right to a supplementary or a question on that statement.

I just ask the Minister whether it is true that in regard to this alleged sculpture that he has ordered two modifications. One, that he has changed my face to his; and secondly, that he has ordered a smaller fig leaf.

**MR. ENNS:** Mr. Speaker, if I can find a sculptor I may just do that.

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

**MR. BRIAN CORRIN:** Mr. Speaker, my question is supplementary to that asked by the Honourable Member for St. Boniface to the Honourable Attorney-General. I was wondering, Mr. Speaker, whether the Attorney-General would be willing to undertake to provide information respecting the number of cases where services of interpreters have indeed been used in the Manitoba courts, perhaps in the last ten years? And if he is, would he also undertake to advise us whether costs of translation have been borne by either his department or . . .

**MR. SPEAKER:** Order please, order please. May I suggest to the member that that question would

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probably be better served if it was an Order for Return. The Honourable Member for Wellington.

**MR. CORRIN:** A supplementary then. Would the Attorney-General be willing to provide us with the number of cases?

**MR. MERCIER:** Mr. Speaker, yes, I would.

**MR. CORRIN:** Would the Attorney-General be willing to advise us whether costs of interpretation have been borne either by the Attorney-General's Department or by private citizens?

**MR. MERCIER:** Mr. Speaker, I will include that information.

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

**MR. SAUL CHERNIACK:** Thank you, Mr. Speaker. I just want to direct a question to the Minister of Finance and/or the Attorney-General. I'd like to know whether he can assure us, or they can assure us, that the tax discounters who are admittedly breaking the law dealing with the amount of moneys which can be advanced on discounts of income tax are being investigated and will be dealt with?

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

**MR. MERCIER:** Mr. Speaker, I can only assure the member that three cases are being investigated by the RCMP and I have asked that their report be expedited.

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

**MR. CHERNIACK:** No, Mr. Speaker, I'm willing to let that question stand for awhile. I trust that we can rely on the Honourable the Attorney-General to give us further reports as he becomes aware of progress.

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

**MR. HARVEY BOSTROM:** Thank you, Mr. Speaker. I direct my question to the Minister responsible for The Corporations Act in Manitoba. I believe it is the Minister of Consumer and Corporate Affairs.

I wonder if the Minister, after having received the information that the company which signed a deal with the Ministry of Tourism in the province with respect to the Whiteshell development, after having received the information that this person or persons are operating — using a company name with the name "Limited" — operating illegally, if his department is investigating this, and if they will be taking any action pursuant to the Act which stipulates that this is an offence and that it carries a maximum fine of \$500.00?

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

**HON. EDWARD MCGILL (Brandon West):** Well, Mr. Speaker, if the member would submit an order requesting such information to me I would be very pleased to investigate the matter and report back to him.

**MR. BOSTROM:** A supplementary, Mr. Speaker. I believe it has been reported in the press, and it is the information also from his own department — the Companies Branch, I believe it is — that this company is not listed with them. The company is listed in the telephone book using the name "Limited". I wonder if the Minister, having now received that information, has enough reasonable grounds on which to ask his department to investigate it further and in fact take action on this if in fact this person or persons is operating using this name illegally in the Province of Manitoba?

**MR. MCGILL:** Well, Mr. Speaker, the matter which the member brings to us at this time has not been presented to me in any formal way. I would be very pleased to pursue the matter, to investigate the status of the company to which he refers to determine whether or not the allegations which he makes are in fact true and to report back.

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

**MR. BILLIE URUSKI:** Thank you, Mr. Speaker. I'd like to place a question to the Minister of Highways since he is in a great mood of at least answering questions. Could he indicate to me today — since he didn't want to answer it last week — whether or not there is a staff freeze on the General Insurance Division of MPIC?

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

**MR. ENNS:** Mr. Speaker, the answer is "Yes".

**MR. URUSKI:** Mr. Speaker, I would like to ask a supplementary of the Minister. Can he indicate, in view of the fact that the Insurance Division is a self-sustaining division, on what basis was the freeze imposed?

**MR. ENNS:** Mr. Speaker, I can assure the Honourable Member for St. George that MPIC was not in any way singled out from the general directive given to all agencies of government, as indeed the government itself, that came under the general staff freeze.

**MR. URUSKI:** In view of that answer, Mr. Speaker, could the Minister indicate then why was the staff freeze lifted from Autopac, in view of his answer to the other portion of the Insurance Division?

**MR. ENNS:** Mr. Speaker, we firstly recognized the cyclical nature of the extra workload that comes about during January and February when people are renewing their insurances. Secondly, of course, Autopac is a monopoly. We have to provide that service to all Manitobans. There is no alternative service available and therefore, you know, that exemption was made to the automotive division of Autopac, MPIC.

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

**MR. HOWARD PAWLEY:** Mr. Speaker, my question is directed towards the Minister of Tourism. I have in my hand a very attractive brochure put out by the City of Winnipeg and in it is featured a very attractive picture of the MS Lord Selkirk, dealing with excursions.

In view of the City of Winnipeg's overwhelming enthusiasm for the MS Lord Selkirk, and its obvious view that the boat contributed to the economy of the City of Winnipeg, did the Honourable Minister provide the City of Winnipeg with a first option to acquire the MS Lord Selkirk?

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

**MR. BANMAN:** No, Mr. Speaker.

**MR. PAWLEY:** I wonder if I could, in supplementary, direct my question to the Attorney-General. In view of the fact that the booklet is entitled "Winnipeg, Western Canada, the City of Unlimited Opportunity" and in view of the fact that the information contained therein now is obviously incorrect, I wonder if the Minister would be prepared to offer the City of Winnipeg a small grant so that this book might be amended so as to read "Unlimited opportunity to acquire private staterooms in the MS Lord Selkirk"?

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

**MR. JAY COWAN:** Yes, Mr. Speaker. I'd like to direct my question to the Minister of Education. Can the Minister indicate to the House if a study has now been undertaken by his department for the purpose of evaluating the continuation of the IMPACTE and BUNTEP Programs?

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

**MR. COSENS:** Not a study as such, Mr. Speaker, no.

**MR. COWAN:** Can the Minister then confirm to the House that those two native educational programs will be continued for the upcoming fiscal year?

**MR. COSENS:** This will be covered in Estimates, Mr. Speaker. But I can assure the honourable member that these two programs will be continuing.

**MR. COWAN:** Then can I ask one final supplementary, Mr. Speaker? Can he indicate if there are any changes proposed to those programs at this time?

**MR. COSENS:** Mr. Speaker, I can't think of any drastic changes at all that are involved with those two programs.

**MR. SPEAKER:** The Honourable Member for Winnipeg Centre.

**MR. J.R. (Bud) BOYCE:** Mr. Speaker, I have a question for the First Minister. Perhaps he could take it as notice. There's a statutory requirement that a report of the Electoral Boundaries Commission be tabled in the next session of the Legislature, and I have perused the Estimates and I can find no appropriation relative to that expenditure. I wonder if the First Minister could advise us where these funds are allocated.

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

**MR. LYON:** Mr. Speaker, I wish to thank the Honourable Member for Winnipeg Centre for giving me notice of his intention to ask the question. I haven't been able to ascertain the information as yet but I will do so and answer him as soon as I can.

**MR. BOYCE:** In taking the question as notice, Mr. Speaker, I believe on the last occasion that there was a review, that the moneys were raised by a special warrant and there is a suggestion that perhaps this is not in keeping with the intent of the Act as we have seen here recently. Even the Chief Justice, while he agreed with the Executive Council that they had authorization to carry out certain acts, nevertheless it says the Act that the moneys allocated have to be appropriated by the Legislature. So perhaps the First Minister would take that question as notice. And since it is an involvement of a Commission which has a large impact on the province, perhaps he could table the terms of reference given to the Commission prior to the proroguing of the House.

**MR. LYON:** Well, Mr. Speaker, I'll be happy to take the second portion of my honourable friend's question as notice. I'm speaking only from memory, however, with respect to the latter part of his question. I believe that the Act with respect to electoral boundary changes is clear in itself and lays down the criteria under which the commissioners operate, but I'll be happy to check that as well. It's a legal opinion my honourable friend is asking.

**MR. BOYCE:** Yes, that is how I recall the Act also, but I believe there is also a clause that would not restrict the foregoing, the generalities and all the rest of it if there are any other matters that the commissioners can be asked to express their opinion relative to.

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

**MR. LEONARD S. EVANS:** Thank you, Mr. Speaker. I'd like to address a question either to the First Minister or the Minister of Finance. In view of the detrimental effects that are occurring now in Manitoba because of the restraints in the fields of social services, higher education, health care and so on, is the government prepared to at least reconsider its priorities and take some of that \$33 million additional that is being made available for highway construction, for education, for health care and for social services?

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

**MR. LYON:** Mr. Speaker, as with many questions posed by the Honourable Member for Brandon East, we don't accept the premise of the question.

**MR. EVANS:** Well, then, Mr. Speaker, is the Honourable the First Minister telling this House that roads are more important than people in this province?

**MR. LYON:** Mr. Speaker, the First Minister is not saying that, but my honourable friend, the Member for Brandon East will continue to say it in defiance of the facts notwithstanding.

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

**MR. DOERN:** Mr. Speaker, I want to direct a question to the Minister responsible for MHRC. Is it true that last week some 15 staff members from the Critical Home Repair Program were laid off?

**MR. SPEAKER:** The Honourable Minister in charge of Housing.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** Mr. Speaker, there were 20 people, contract employees, laid off at MHRC at the end of March 31st. There have been no others.

**MR. DOERN:** Mr. Speaker, a supplementary. Does the Minister have sufficient staff to complete commitments to thousands of people, thousands of senior citizens, tradesmen and contractors to clear the backlog?

**MR. JOHNSTON:** Yes.

**MR. DOERN:** Mr. Speaker, when the present commitments are completed, does the Minister or the government intend to eliminate the program or continue it?

**MR. JOHNSTON:** Mr. Speaker, we will be outlining the Critical Home Repair Program in the Estimates if the honourable member cares to ask me then.

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

**MR. URUSKI:** Thank you, Mr. Speaker. I would like to ask some further questions of the Minister of Highways. Could he indicate to this House as to whether or not his government is allowing the



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general insurance division to wither and die in view of the fact that insurance accounts cannot be serviced as a result of the staff freeze?

**MR. SPEAKER:** The Honourable Minister of Public Works.

**MR. ENNS:** No, Mr. Speaker.

**MR. URUSKI:** Could the Minister then indicate whether or not the government is intending to sell the General Insurance Division?

**MR. ENNS:** No, Mr. Speaker.

**MR. URUSKI:** Mr. Speaker, can the Minister then tell the people of Brandon as to what fate they have in respect to the office staff that was going to increase over the years as a result of the General Insurance Division now that it is being allowed to wither and die?

**MR. ENNS:** The answer is "no", Mr. Speaker.

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

**MR. SCHREYER:** Mr. Speaker, my question is to the Minister of Highways. In reply to the Meer for St. George, he said "no". I'd like to ask the Minister if by "no" he meant, "No, he can't tell," or "No, they do not intend to sell." There's a difference.

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

**MR. ENNS:** Mr. Speaker, in reply to the question from the Honourable the Leader of the Opposition. My answer was simply "no" that I couldn't answer the question as posed by the Member for St. George.

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

**MR. PAWLEY:** Mr. Speaker, a question to the Attorney-General. The Attorney-General accepted as notice a question last week dealing with the University Law Centre re the Legal Aid. In view of the communication which I understand the Attorney-General has received during the past week from students at the Law School, I wonder, Mr. Speaker, if the Attorney-General is in a position today to make an announcement as the Attorney-General is in a position today to make an announcement as to his intention in connection with the Legal Aid Centre.

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

**MR. MERCIER:** Mr. Speaker, I would expect that by either tomorrow or Monday at the latest, I would be in a position to make an announcement.

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

**MR. MCGILL:** Thank you, Mr. Speaker. I wanted to respond to the Honourable Member for Logan who has asked me on two occasions to confirm his conversion factor for the number of litres per gallon, and to agree that 4.6 is the proper factor. I'm advised that one imperial gallon contains 4.54609 litres. So I know the member would want to be precise in that matter.

And on the question of proper arithmetic, Mr. Speaker, I'd like to just correct some quick oral arithmetic which I did on the same day that the Member for Logan asked his question. I suggested that between March 6, 1974 and April 27, 1977, there had been increases in the fluid milk price in Manitoba amounting to 26 cents, roughly. That was very roughly. It should have been 23 cents.

The question of the conversion factor on litres to gallons and the factor to be used, doesn't really firm up or provide a significant reading of the price that will be charged. There is really no guarantee that while we use a very exact conversion figure that the prices will turn out to be exactly that way.

There are two distinct features involved in the metric conversion. The first is the volume and the second is the price. The issue regarding the volume will be regulated by the Federal Government under Weights and Measures and with respect to the price there are no regulations.

In the retail gasoline business the converted price will be established by the oil companies; in n cases of oil, company-owned stations and where consignment agreement exists with lessees, it will be established by those lessees and by independent operators. The Metric Commission has established price guidelines for metric conversion. In brief, the guideline is that price should reflect the true conversion factor, and that conversion should not be used as a form of disguised price increase. It is important to note that these are guidelines and not obligatory in practice.

In the cases of conversion of sugar and ice cream, the guidelines were essentially followed without any substantial difficulties. In the case of milk, the Control Board regulated the converted price because of the statute. With respect to the sale of gasoline in litres, the changeover will be complete by January 1, 1981. The gallon will be used exclusively to the end of 1978 except where the litre was

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already in use prior to November, 1977. Between January 1979 and December 1980, sales of gasoline may take place in either gallons or litres. So, Mr. Speaker, we cannot guarantee to the Member for Logan that the converted price will be — or what it will be — just as no guarantee can be given that the price at a particular station or at all stations will not rise or fall tomorrow and at any other point in time. Competition will largely dictate the market price. Our department can offer to conduct some monitoring in order to determine whether or not the price guidelines of the Metric Commission are being followed.

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

**MR. WILLIAM JENKINS:** I wish to thank the Honourable Minister for the information that he has provided to the House. I would like to ask him a supplementary. The other day the Honourable Minister said that the Milk Control Board had authorized for metrification of the sale of milk by litres, 2.73 cents per litre. Is this for perpetuity, or just for the time that it would take to pay for the changeover? Would the Honourable Minister answer that question, please.

**MR. MCGILL:** Mr. Speaker, I am advised that the Milk Control Board has made some investigation of the matter and they consider that such an increase will be necessary in order to cover the costs of the conversion. If, after some experience with this increase, it is found to be greater or less than is required then I am advised that some adjustment may take place.

**MR. JENKINS:** Thank you, Mr. Speaker. A further supplementary question to the Minister of Consumer Affairs: I wish that his department would look into the cost pricing of the conversion to kilometers for automobiles. I bought one of those conversion kits . . .

**MR. SPEAKER:** Order please. Can the member state his question?

**MR. JENKINS:** Yes, I will state the question, Mr. Speaker, but I just want to preface it because there are conversion kits that are being sold on the market today for four dollars, that six months ago I bought for ninety cents. Now, can the Minister explain why they are costing four dollars today?

**MR. MCGILL:** Mr. Speaker, I'm not familiar with the price of these conversion kits; it may well be that there are a variety of such kits on the market. If the member would care to provide me in some specific way with the details of his problem I would be very pleased to have the department look into it.

**MR. SPEAKER:** Orders of the Day. The Honourable Government House Leader.

### ORDERS FOR RETURN

**HON. WARNER H. JORGENSON (Morris):** Well, Mr. Speaker, perhaps I can save a little bit of time in the House by suggesting that we are prepared to accept these Orders for Return, and with discussion of the Opposition Leader with the understanding that the word "Agency" as it appears in each of the Orders, not intended to mean such corporations and commissions that derive their revenue on their own, such as the Manitoba Telephone System or the Manitoba Hydro, and which the government does not exercise any management, control or decisions.

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

**MR. SCHREYER:** Mr. Speaker, just to confirm for the record, the Honourable, the House Leader did converse with me with respect to certain modifications in the Orders for Return; it's quite clear. It is also, I quite agree, a matter of common sense. The terminology is "proprietary and non-proprietary agencies and Crown corporations." Just for the record, I helped the Honourable the House Leader to clarify that we are not seeking this information with respect to proprietary Crown agencies and corporations. Even though I don't agree with his last observation, at least insofar as the practice of the present government is concerned, they are exercising apparently, and from time to time, some management function — but that's an aside, Sir — the Order for Return, we agree to the modification.

**MR. SPEAKER:** The Honourable Member for St. Boniface on a Point of Order.

**MR. DESJARDINS:** Mr. Speaker, as far as the one in my name, I certainly would expect the information re the Manitoba Health Services Commission. —(Interjection)— As long as that's clear.

**MR. SPEAKER:** Is it then the intention of the House to accept the Orders for Return?

The following Orders of the House were issued subject to the reservations as stated by the Honourable Warner Jorgenson:

**ORDER NO. 6:** On Motion of Mr. Miller, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to

work within the Department of Finance, in the Minister's Office, and in agencies reporting to the Minister of Finance and the nature of the competition held for the position.

**ORDER NO. 7:** On Motion of Mr. Miller, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Finance, in the Minister's Office, and in agencies reporting to the Minister of Finance whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 8:** On Motion of Mr. Uskiw, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Agriculture, in the Minister's Office, and in agencies reporting to the Minister of Agriculture whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 9:** On Motion of Mr. Uskiw, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Agriculture, in the Minister's Office, and in agencies reporting to the Minister of Agriculture and the nature of the competition held for the position.

**ORDER NO. 10:** On Motion of Mr. Adam, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Mines, Resources and Environmental Management, in the Minister's Office, and in agencies reporting to the Minister of M.R. and E.M. and the nature of the competition held for the position.

**ORDER NO. 11:** On Motion of Mr. Desjardins, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Health and Social Development, in the Minister's Office, and in agencies reporting to the Minister of Health and Social Development whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**order no. 12:** On Motion of Mr. Desjardins, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Health and Social Development, in the Minister's Office, and in agencies reporting to the Minister of Health and Social Development and the nature of the competition held for the position.

**ORDER NO. 13:** On Motion of Mr. Hanuschak, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Continuing Education and Manpower, in the Minister's office, and in agencies reporting to the Minister of Continuing Education and Manpower and the nature of the competition held for the position.

**ORDER NO. 14:** On Motion of Mr. Hanuschak, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Education, in the Minister's Office, and in agencies reporting to the Minister of Education and the nature of the competition held for the position.

**ORDER NO. 15:** On Motion of Mr. Hanuschak, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Continuing Education and Manpower, in the Minister's Office and in agencies reporting to the Minister of Continuing Education and Manpower whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 16:** On Motion of Mr. Hanuschak, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Education, in the Minister's Office, and in agencies reporting to the Minister of Education whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 17:** On Motion of Mr. Adam, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Highways, in the Minister's Office, and in agencies reporting to the Minister of Highways and the nature of the competition held for the position.

**ORDER NO. 18:** On Motion of Mr. Schreyer, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Executive Council Office and in Committees of Cabinet reporting to the Premier whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 19:** On Motion of Mr. Schreyer, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Executive Council Office, Committees of Cabinet, and in agencies reporting to the Premier and the nature of the competition held for the position.

**ORDER NO. 20:** On Motion of Mr. Cowan, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Mines, Resources and Environmental Management, in the Minister's Office, and in agencies reporting to the Minister of M.R. and E.M. whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 21:** On Motion of Mr. Cowan, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Co-operative Development, in the Minister's Office, and in agencies reporting to the Minister of Co-operative Development and the nature of the competition held for the position.

**ORDER NO. 22:** On Motion of Mr. Cowan, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Co-operative Development, in the Minister's Office, and in agencies reporting to the Minister of Co-operative Development whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 23:** On Motion of Mr. Barrow, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Tourism, Recreation and Cultural Affairs, and in the Minister's Office, and in agencies reporting to the Minister of T.R. and C.A. and the nature of the competition held for the position.

**ORDER NO. 24:** On Motion of Mr. Barrow, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Tourism, Recreation and Cultural Affairs, in the Minister's Office, and in agencies reporting to the Minister of Tourism, Recreation and

Cultural Affairs whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 25:** On Motion of Mr. Boyce, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in Corrections and Rehabilitation, in the Minister's Office, and in agencies reporting to the Minister of Corrections and Rehabilitation whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 26:** On Motion of Mr. Boyce, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within Corrections and Rehabilitation, in the Minister's Office, and in agencies reporting to the Minister of Corrections and Rehabilitation and the nature of the competition held for the position.

**ORDER NO. 27:** On Motion of Mr. Fox, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Labour, in the Minister's office, and in agencies reporting to the Minister of Labour whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 28:** On Motion of Mr. Barrow, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Northern Affairs, in the Minister's Office, and in agencies reporting to the Minister of Northern Affairs and the nature of the competition held for the position.

**ORDER NO. 29:** On Motion of Mr. Cherniack, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The total cost to the government of Manitoba in the 1977-78 fiscal year of separation payments made to individuals whose employment has been terminated.

**ORDER NO. 30:** On Motion of Mr. McBryde, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Northern Affairs, in the Minister's Office, and in agencies reporting to the Minister of Northern Affairs whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 31:** On Motion of Mr. Adam, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Highways, in the Minister's Office, and in agencies reporting to the Minister of Highways whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 32:** On Motion of Mr. Jenkins, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Labour, in the Minister's Office, and in agencies reporting to the Minister of Labour and the nature of the competition held for the position.

**ORDER NO. 33:** On Motion of Mr. Parasiuk, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Manitoba Housing and Renewal Corporation, in the Minister's Office, and in agencies reporting to the Minister Responsible for M.H.R.C. whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 34:** On Motion of Mr. Parasiuk, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Manitoba Housing and Renewal Corporation, in the Minister's Office, and in agencies reporting to the Minister responsible for M.H.R.C. and the nature of the competition held for the position.

**ORDER NO. 35:** On Motion of Mr. Pawley, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Attorney-General, in the Minister's Office, and in agencies reporting to the Attorney-General and the nature of the competition held for the position.

**ORDER NO. 36:** On Motion of Mr. Pawley, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Attorney-General, in the Minister's Office, and in agencies reporting to the Attorney-General whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.
2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.
3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.
4. Method of termination in each case. In the event of discharge, the cause for termination.
5. The name of each person demoted within the department since October 24, 1977, and the nature and cause of the demotion.
6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?
7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 37:** On Motion of Mr. Walding, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Consumer, Corporate and Internal Services, in the Minister's Office, and in agencies reporting to the Minister of Consumer, Corporate and Internal Services and the nature of the competition held for the position.

**ORDER NO. 38:** On Motion of Mr. Walding, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Consumer, Corporate and Internal Services, in the Minister's Office, and in agencies reporting to the Minister of C.C. and I.S. whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.
2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.
3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.
4. Method of termination in each case. In the event of discharge, the cause for termination.
5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.
6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?
7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 39:** On Motion of Mr. Bostrom, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Renewable Resources and Transportation Services, in the Minister's Office, and in agencies reporting to the Minister of R.R. and T.S. and the nature of the competition held for the position.

**ORDER NO. 40:** On Motion of Mr. Bostrom, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Renewable Resources and Transportation Services, in the Minister's Office, and in agencies reporting to the Minister of R.R. and T.S. whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.
2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.
3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.
4. Method of termination in each case. In the event of discharge, the cause for termination.
5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.
6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?
7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 41:** On Motion of Mr. Doern, Order for Return.

THAT an Order of the House do issue for a return showing the following information:



1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Public Works, in the Minister's Office, and in agencies reporting to the Minister of Public Works and the nature of the competition held for the position.

**ORDER NO. 42:** On Motion of Mr. Doern, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Public Works, in the Minister's Office and in agencies reporting to the Minister of Public Works whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 43:** On Motion of Mr. Corrin, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Urban Affairs, in the Minister's Office, and in agencies reporting to the Minister of Urban Affairs and the nature of the competition held for the position.

**ORDER NO. 44:** On Motion of Mr. Corrin, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Urban Affairs, in the Minister's Office, and in agencies reporting to the Minister of Urban Affairs whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**ORDER NO. 45:** On Motion of Mr. Evans, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Industry and Commerce, in the Minister's Office, and in agencies reporting to the Minister of Industry and Commerce and the nature of the competition held for the position.

**ORDER NO. 46:** On Motion of Mr. Evans, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Industry and Commerce, in the Minister's Office, and in agencies reporting to the Minister of Industry and Commerce, whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

**order no. 47:** On Motion of Mr. Uruski, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name, position, salary and qualifications of each person hired since October 24, 1977 to work within the Department of Municipal Affairs, in the Minister's Office, and in agencies reporting to the Minister of Municipal Affairs, and the nature of the competition held for the position.

**ORDER NO. 48:** On Motion of Mr. Uruski, Order for Return.

THAT an Order of the House do issue for a return showing the following information:

1. The name and address of each person in the Department of Municipal Affairs, in the Minister's Office, and in agencies reporting to the Minister of Municipal Affairs whose employment was terminated or who has ceased employment with the government service of the Province of Manitoba since October 24, 1977.

2. The position as of the date of termination of each such person in the department, and the branch in which each such person was employed.

3. The employment status of each such person, i.e., permanent civil servant, term employee with more than 1 year seniority, term employee with less than 1 year seniority, contract employee.

4. Method of termination in each case. In the event of discharge, the cause for termination.

5. The name of each person demoted within the department since October 24, 1977 and the nature and cause of the demotion.

6. Which established positions in the department, vacant as at October 24, 1977, still remain vacant, or were eliminated?

7. How many staff man years in the department, as approved by Management Committee, vacant as at October 24, 1977, still remain vacant, or were eliminated?

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

**MR. CRAIK:** Mr. Speaker, I move, seconded by the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for Industry and Commerce and the Honourable Member for Roblin in the Chair for Agriculture.

## SUPPLY — INDUSTRY AND COMMERCE

**MR. CHAIRMAN:** Order please. I would refer honourable members to Page 49 of their Estimate books, Department of Industry and Commerce, Resolution No. 75, 2.(a)(1) — Administrative Salaries. The Honourable Member for Burrows.

**MR. HANUSCHAK:** Yes, with reference to this item in the Estimates. Over the past while we had heard considerable comment from the government's side with respect to the previous administration's waste and mismanagement to many programs in general and I would suspect not excluding this item which we are presently discussing' and the government had charged the previous administration with mismanagement, lack of control, waste, fat, lack of accountability, leakage, etc., and in fact the First Minister had indicated that as the Estimates will be dealt with, that the Ministers will have horror stories to tell us and to date, Mr. Chairman, we have not heard any from the Minister. Yes, I must correct myself, I have heard a couple of horror stories that came out, both of which I dealt with, on going at the supply, on a grievance, a couple of days ago, but you know, Mr. Chairman, none relating to the previous administration. And in fact, Mr. Chairman, there were no horror stories relating to the items which we have already approved because I am sure the Honourable Minister would have been very quick to bring to the attention of the House, the horror stories that he has to tell us.

So therefore, Mr. Chairman, to me as one of the former Chairmen of Management Committee sitting on this side of the House, and I am sure that to the members of the committee in general there are a couple of questions that we would like to ask to which we would appreciate receiving answers. One of which is: Did the Minister discover any evidence of mismanagement in this particular appropriation that so often we have been accused of, and if he did discover any evidence of mismanagement or lack of control or waste or fat or lack of accountability or whatever else that we have been accused of, I would really appreciate it that as we are dealing with this appropriation and with others to follow, as we are going through the Estimates line by line, that he would indicate to the House the number of positions that he discovered that crept into the system because of poor management and that he had to remove because of lack of control; the function of those positions which crept into the system again because of alleged mismanagement and lack of control and which he found himself justified in removing; the number of dollars that the Minister was able to attribute to poor management and that he, in turn, in applying his expertise in running his department, was able

to reduce; the number of dollars by which he was able to reduce the expenditure of each appropriation, and in this instance, that he was able to identify X number of dollars that were just frittered away through poor management and that he was able to tighten up his ship to that extent and be able to say that yes, I was able to save the people of Manitoba X number of dollars through his better management. Mr. Chairman, in answering that question, then I would like him to tell us how he has rectified each of those incidents of poor management or leakage or whatever, and how he proposes to improve the system of management of that particular program.

Now as I have said, as I have indicated to you, Mr. Chairman, it's my intention to ask that question with respect to each and every line in each and every department because I think that it is in that way that we will be able to achieve two things — that the government will be able to indicate to the people of Manitoba that yes, here was evidence of mismanagement and this is the way that we are going to correct it, this is the way we are going to run our ship from now on. And I think it's important, Mr. Chairman, that the Minister do that because, and I am sure that he would agree with me, that there is a difference and the distinction must be made between a change, a reduction in an Estimates appropriation arising from a difference in government philosophy or government priorities on the one hand and as a result of a correction of mismanagement on the other. So therefore, we would want to know that if there is any change in the appropriation, is it brought about by the philosophical thrust of this government, and together with it, it would have its own priorities and hence would necessitate a different level of funding to do whatever it is that the government wishes to do in different areas? Is it because of that? Or is it because of some overhaul of the management structure of that particular branch within the department — of that particular program?

So the government, Mr. Chairman, ought to be very clear in explaining that to the people that whatever change there is in the appropriations, that it is for whichever of the reasons that I have mentioned. They are tightening up, overhauling the management system, or because of a change in their priorities. And also, to present us with precise evidence of the course of action, of the manner in which the Minister intends to run that particular shop in the future, to assure the people of Manitoba of better management. So far, Mr. Chairman, all we have heard from the government is really unsubstantiated criticism of our management.

Now I want to give the Minister an opportunity, and I am going to insist on it, line by line, that he either put up or shut up and the same will apply to all Ministers. Either produce the evidence or as I have said, "shut-up", not just on a broad overall basis but program by program. Because the people of Manitoba, they ought to know, if whatever horror stories the government has to tell us, if there are any, let them be properly documented, let the government indicate what corrective action it has taken and what action it is intending to take. Let it tell the people which of the programs which we may have inherited when we were government, and are on track now, this government is endorsing and continuing. Let him tell which it is discontinuing. Let him tell us which it is varying and I am sure all of that ought to be reflected in the Estimates as we go through each appropriation and not just merely that when this government came into office it inherited a debt, as it claims it has, and to correct that therefore all the cuts that there are because, Mr. Chairman, that argument, that rationale by itself doesn't really make sense. Because if there is any evidence of mismanagement. . . you know, suppose there was evidence of mismanagement in a program that the government would endorse, would it simply cut it because there was evidence of mismanagement and say, "Oh, to hell with it, we're discontinuing that program".

Surely if it's a program the government would endorse, if it did discover evidence of mismanagement — we have yet to hear precise evidence of it — the government would want to continue it, would correct the areas of mismanagement and continue with the program. But not just simply to cut it.

Now, if that's a rationale, if that's the premise upon which this Minister is proceeding and his colleagues, that wherever, in his opinion, according to his line of reasoning, he should conclude that there is evidence of poor or mismanagement, that he's simply going to cut that program or reduce it drastically, then you know, it really makes me wonder, Mr. Chairman, you know, in what school of business management he learned that. What school of business management advocates that approach?

So, again I say to the Minister, as we deal with this item, before we complete dealing with it, if there's evidence of mismanagement here, tell us. Tell us to what extent, in terms of dollars and cents, in terms of staff man years and what corrective action had been taken and what the Minister proposes to do and the manner in which he proposes to do it to run a better managed program which he claims that he and his colleagues are capable of doing.

**MR. BANMAN:** Well, Mr. Chairman, first let me point out to the member that I tabled a document yesterday which shows the . . . and the contracts in contrast to the two different years so I think that is something I was asked by some other honourable members and I've tabled that.

With regard to a few of the specific questions, management was involved when we went over the Estimates with the understanding that there were no basic changes to be taken. We believe, and I think I have the concurrence from managerial people, that we have cut out and done some belt tightening, we have cut out some things that weren't absolutely necessary, we've done some belt tightening, and arrived at a figure which in this particular vote that we're talking about, represents about an 8.5 percent reduction over last year's vote. There are basically two positions, vacancies, which have been deferred as far as funding is concerned.

**MR. HANUSCHAK:** I think then, when the First Minister gave notice to the House that his Ministers will unfold horror stories to the House of mismanagement, of fat, of whatever, that this Minister, at least — and we will see as we proceed through the Estimates — that this Minister, at least, had inherited a well-run operation in which he saw no evidence of mismanagement, in which he saw no fat, no leakage, no lack of accountability or control. I am pleased to hear that, Mr. Chairman.

**MR. CHAIRMAN:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, I would like to ask the Honourable Minister where in these Estimates one finds Manitrade and I would also like to ask the Honourable Minister whether Manitrade is still in existence or whether or not it is correct, as I have already informed him in a note, that I was told that it is being wound up and transferred into small enterprise development. I would like to hear his comments in this regard.

And then I would like him to assure us . . . well, either assure us that there is no change in direction by the government in terms of the programs described under this large item, Operations, or if there is a change in the programs and that means a change in the nature of the service being offered, that he define that for us so that we can understand, in dealing with all of the Estimates under 2., the extent to which we can expect a change in program delivery or the nature of the service being provided throughout.

So, one is the general question; the other deals specifically with Manitrade.

**MR. BANMAN:** Mr. Chairman, if the honourable member would refer to Page 50 in his Estimates Book, Item (h) Trade Development, that is the one in which Manitrade is funded from. So I think maybe we can discuss that at that time. Would that be appropriate?

The other thing is, the global question that he asks, in a number of these different areas, there will be fewer incentive grants to different industries. That accounts for some of the cutback.

**MR. CHERNIACK:** Well, Mr. Chairman, then I am forced to the conclusion that the Honourable Minister has no intent in these Estimates to make any changes in the direction heretofore carried on in the service provided to various people who have formerly been served, or the nature of people formerly served by the department.

**MR. BANMAN:** Yes, Mr. Chairman, that would be about basically right, yes.

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

**MR. EVANS:** Thank you, Mr. Chairman. Yesterday, my colleague, the Member for Transcona, made a number of remarks about the function of DREE and the relationship of the department to DREE. Since we are considering the administration of the Operations division of the department, if you wish, he made a number of very appropriate comments, offered a number of suggestions, which I think are worthy of consideration by the Minister for implementation. In particular, he compared the value of infrastructure money, moneys coming from the Department of Regional Economic Expansion, for what is normally referred to as infrastructure, namely, possibly a road, possibly a water system, moneys for sewage disposal, possibly moneys for an industrial park or what have you, money that would provide a framework to assist in the enhancement and development of industry in a particular area. I would underline and support my colleagues remarks in this respect.

I really believe that the funding coming from DREE in terms of incentive grants can be subject to a lot of questioning in terms of its value in providing new jobs in the Province of Manitoba. In fact, among the business community, I think, in this province, it's a well known assumption that's made that if you are going to expand, don't forget to put in for a DREE grant because the money is there and a case is usually made for moneys to be provided by DREE to those companies. It's something that is sort of there for the asking and very often the businessman does take that viewpoint, that he might as well try and get it.

Now, of course, the incentive grant provided by DREE is supposed to be a grant that helps a company to decide a very marginal, locational question. In other words, it helps the company to decide on whether or not to locate because the investment, the plant under consideration is very marginal — it may be profitable, it may not be profitable but with a bit of assistance from DREE via an industrial incentive grant, then it is possible that it would be profitable and hence proceeds, creates jobs and so on.

The fact is that over the years, while these criteria are still applied by DREE and whereas many accountants are very busy at work in providing very good, very well thought out applications to DREE — in fact, this Department of Industry and Commerce actually has incentive grants in effect . . . not incentive grants, but assistance grants to enable companies, particularly smaller companies, to apply for the DREE money, on the premise — and I think it's a fair premise — that if we can do anything to help Manitoba businesses get Ottawa money, we should do so. You know, there's nothing wrong with that. You know, let's get all the Ottawa dollars that we can. You know, if they're available. But the fact is that many companies are abusing the DREE program in the sense that . . .

not in the sense that they don't build or that they fail. Anyone who suggests that most of these companies who get DREE money then turn around after one or two or three years having used up whatever value that the DREE grant was, then proceeds to fold and go out of business, that isn't necessarily the case. Most of the companies, I would submit, that have obtained DREE moneys over the years, have stayed in business and may succeed. But the point is, if there is a trade-off, if there is a possibility of a trade-off between moneys that are available for industrial incentive grants as opposed to moneys that are available for infrastructure, I would say it's far better, at this juncture in time, having had that experience, to opt for infrastructure money.

There have been some notable developments in Manitoba in the past few years that I could mention that are public knowledge of development. Burroughs is one company; McCain Foods, Phillips Wire and Cable in Portage; all of these are recipients of large grants from the Federal Department of Regional Economic Expansion. But I really question whether, in these cases, and I know they made the point with the Federal Government by means of their application that these federal dollars were needed in order for their project to go ahead — I know they made that point — but I really question whether they would have gone ahead anyway. I really question that not only these but many others, hundreds of smaller ones, I would submit, Mr. Chairman, would have probably gone ahead anyway without a DREE grant.

In effect, the incentive grants have become something in the nature of a welfare payment, really, to the business community. Business welfarism, if you like. There's a lot been talked about in terms of welfare abuse, social welfare abuse, and I think one can make a case about business welfare abuse and there have been many studies conducted and written across Canada about the ineffectiveness of the industrial incentive system of DREE that most of the studies come to the conclusion that they really don't help; their impact has been very very limited and they do amount to nothing more than a handout to private enterprise — a handout to private enterprise, a business welfare payment, that does little to create jobs in the area of concern.

Now there may be the odd exception but I would submit that the companies that I've named, I would suggest would likely have gone ahead anyway without the DREE grant.

Now, having said that, I would repeat that, you know, if Ottawa money is available to come to Manitoba, why not get it? Why not help your companies get it? That's fine. But if there is a question of a trade-off, a trade-off of these moneys for some other funding from DREE, then I say it's worthwhile to look at the alternative, look at the alternative of obtaining moneys for infrastructure. I would mention in particular . . . I know the Minister and the staff are talking to the Federal Government and I know there has been some preliminary steps taken in this area in respect to industrial malls. There's a very small pilot project in Dauphin. We talked of the possibility of something in Brandon and also other regional centres. We know the experience of Prince Edward Island. The Deputy Minister of this department has been to PEI and has seen this at firsthand. —(Interjection)— I don't know whether . . . oh, he did, I don't know. It was either Gordie Howe. . . That reminds me of my first year as Minister of Industry because Rex Grose tendered his resignation; the opposition of the day called for my resignation as Minister of Industry and Commerce because we lost the Gordie Howe of the industrial development world, that our economy would go to rack and ruin because no longer did we have this star, the equivalent of a hockey star in the industrial development field.

At any rate, I really believe that putting DREE moneys into . . . if you can steer those moneys into such things as industrial malls and, as I said, the concept of an incubation centre, namely a structure whereby you can provide — and this is essentially for small enterprise and fledgling industries, fledgling enterprises — some sort of an environment that they can get started in and there seems to have been some success in Prince Edward Island and maybe this is something worthy of follow-up in the Province of Manitoba. There may be other kinds of infrastructure that we should attempt to obtain DREE moneys for but, I repeat again, if you have that option — you may not have that option because as the Member for Transcona said, the Federal Government has a great inclination to keep the industrial incentives because there's far more PR value for the Federal Government to say you've given a grant to such-and-such a company, you know, directly. There's a lot more PR value in it, there's no doubt about that.

I recall when McCain's was about to receive its its funding, the Federal Government, the Minister came rushing to Manitoba. We were given something like 24 hours notice that he was going to show up in Portage la Prairie and make a big announcement — which he did — about providing a DREE grant to McCains.

So there is no doubt a lot of political Brownie points, I suppose, that the Federal Government thinks it can earn for itself by handing out these large grants to such companies. Therefore perhaps it's difficult to see a trade-off occur, or to see the Feds. withdrawing from incentive grants in favour of some type of infrastructure support. But I would commend this exercise to the Minister if at all he has the option and if at all he has the opportunity to persuade the federal authorities to change their priorities, then I think it's worthy of his effort and worthy of the staff's time and energy.

**MR. CHAIRMAN:** 2.(b)(1), the Honourable Member for St. Vital.

**MR. WALDING:** Thank you, Mr. Chairman. Can I ask the Minister if there is any provision in his departmental Estimates for this coming year for the purchase of computer services?

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

**MR. BANMAN:** Yes, I understand there is some, Mr. Chairman.

**MR. WALDING:** Can the Minister tell me whether these come under one particular appropriation, or are they spread throughout the different sections?

**MR. BANMAN:** In this particular section that is dealing with the next appropriation (b)(2).

**MR. WALDING:** Thank you, Mr. Chairman. Is the Minister telling me that all of the expenditures for computer services for the whole department are under 2.(b)(2)?

**MR. BANMAN:** No, Mr. Chairman. For this particular section called "Operations", I understand that the majority of them are within that one appropriation that I mentioned.

**MR. WALDING:** Thank you, Mr. Chairman. I don't require a breakdown, you know, for every little part and section. I wonder if the Minister could give me the figure for the total for his department of computer services to be purchased for the coming year.

**MR. BANMAN:** We will get that information.

**MR. WALDING:** Thank you, Mr. Chairman. I might also ask the Minister if he could break out the amount separately for the Manitoba Bureau of Statistics? I'll ask him separately when we get there, if he insists, or perhaps he could give it to me at the same time that he gives me that other figure.

**MR. BANMAN:** Yes.

**MR. WALDING:** Thank you, Mr. Chairman, while we're still on that same subject of computer services, could the Minister also tell me how much was budgetted by his department last year for computer services, and whether that amount was expended in full, and if not what the figure was?

**MR. BANMAN:** Yes.

**MR. CHAIRMAN:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, may I first thank the Honourable Minister for distributing the lists of the changes in staff man years for the entire department. May I also, at this stage, remind him or tell him that my recollection is that he had undertaken to provide us with a list of criteria or factors that could be used to measure the success of his department's work by next year's budget time to indicate to us what it is that the department would use as a guideline, such as the economic development of the province, numbers of jobs, whatever of that kind.

Let me again ask him, I did understand that he said that there was no change in direction and therefore, it seems to me, the only thing we do see is a reduction in expenditure.

I want to confirm again the impression I have received from him that he believes that there will be no diminution of service from last year, by the fact that there is a reduction in staff and in budget, so that we have a right to expect a continuation. That is the impression I get from him, which would imply that that is the way he answered the Honourable Member for Burrows. That it is in tightening up the organization, reduction of staff that he expects to be able to find the saving without reduction in program.

That's my impression. So, if I'm wrong, as a result of our discussion, I want to told that. And in any event, I am waiting to hear from him in relation to the criteria.

**MR. BANMAN:** Mr. Chairman, I will be providing the criteria one. The other question that the member asks: That is our objective and our intention.

**MR. CHERNIACK:** I thank the Honourable Minister. He will be providing the criteria, I trust, before we deal with his salary — which may be in the next half-hour for all you know.

**MR. BANMAN:** Mr. Chairman, just on that point, if it would go in a half-hour I can assure the member I would provide it after the salary was discussed.

**MR. CHAIRMAN:** 2.(a)(1)—pass, the Honourable Member for Rupertsland.

**MR. BOSTROM:** Mr. Chairman, I note from the list of staff man years which the Minister has provided for us that in the Administration — Enterprise Development Group he has a total of five staff man years for the fiscal year 1978-79 that's before us, whereas last year there was a total of four staff man years in the same group. And I note also that in the Budget before us there appears to be a reduction in the salaries area. Now, how do the two reconcile? If there has been an increase why is there a reduction in the salaries? And could the Minister explain what this increase is?

**MR. BANMAN:** Yes, Mr. Chairman, the member was out before, but I explained that there were two vacancies which funds were deferred for. The other thing is that the transfer of one person working

on DREE with regard to this agency accounts for some more of that.

**MR. BOSTROM:** Is the Minister saying then, Mr. Chairman, that the additional staff man years attached to this group is a person who was formally working with DREE in a different department of government for purposes of negotiating with DREE in a different department of government, or who exactly is this additional staff man year that's attached to this section?

**MR. BANMAN:** No, Mr. Chairman, just for clarification, the appropriation provides for one Assistant Deputy Minister. These are the funded positions. The Director, which I mentioned for inter-agency liason, which is working with DREE, was transferred from another place in the department, and one administrative secretary and two vacancies for which there was no funding appropriated.

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

**MR. EVANS:** Yes, I wonder if the Minister could provide us with information as to how many dollars are estimated, or will be provided or are provided, for assistance in completion of DREE incentive grants in the coming year?

**MR. BANMAN:** I understand that we should be dealing with that under Enterprise Development, but I guess we could . . . No, there is nothing there for incentive grants.

**MR. EVANS:** Well, Mr. Chairman, by way of clarification then, is the Minister telling us that the department has scrapped a program of assisting small enterprises in applying for DREE incentive grants? I mean, if there's no money there then presumably you no longer have this grant program. I think it used to be 50 percent of the cost of applying for a DREE grant.

**MR. BANMAN:** Mr. Chairman, I believe the appropriation that the honourable member is talking about is under 10.(2)(b)(2) in the next item.

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

**MR. BOSTROM:** Thank you, Mr. Chairman. I believe this should be an appropriate place to repeat the kind of questioning that I was following the other day in reference to this department and how it relates to cutbacks in other departments of this government. I note from the report on Government Organization and Economy and also from the Estimates that are before us that the Department of Northern Affairs is suffering severe cutbacks, particularly in areas relating to northern remote communities and how they assist northern communities in developing business enterprises. How they would assist, whether it be a community organization, an individual or a group of individuals who are desiring to set up business enterprises that would be — as a result of their activity — employing people that are presently unemployed.

Now, I would like to know very specifically from the Minister what in this area that is under consideration right now — the Enterprise Development Group — and I note under this section we are presently looking at this is the administration. But it should cover generally the areas that we will be considering more specifically in a few minutes. The Small Enterprise Development, Human Resource Management, and so on, all comes under this general heading here. And since this covers the Executive Branch of this section I would like him to explain specifically what, if anything, this part of his department will be doing in assisting remote communities in Manitoba in developing business enterprises.

Now, I note from his comments yesterday in Hansard — I wasn't here when he made the comments but I read it later — that there are some activities being carried out but these are mainly in the areas of the industrial centers of the north. The communities that are sort of urban developments in northern Manitoba and where there are businesses there they are more related to an urban type of business enterprise. The kind of enterprise that is being contemplated in a remote community is usually much different and the kind of service that is required in order to assist individuals or groups to develop such an enterprise is the type of service that is, and should be, very different from that which is offered to the standard industrial and urban type of business community.

I'd like the Minister to indicate to the House what kind of activity his department will be doing to pick up the slack that we obviously see will be occurring as a result of the cutbacks in the Northern Affairs Department.

**MR. BANMAN:** Well, Mr. Chairman, I don't pretend to speak for the Minister of Northern Affairs, and I'm sure he will speak for himself, but let me just reiterate that if a person calls in and requires assistance — whether it be in a northern community or anywhere — there is counselling assistance and that type of thing that is brought forth by the department.

As I mentioned to date right now we have an active client list in northern communities of about 26 different clients, including such things like Cross Lake Bakery, and Indian Affairs Custom Kill, and groups like that.

So if there is assistance required and people do call in and ask for assistance the department, I

understand, tries to do everything within its power to help them out.

**MR. BOSTROM:** While I recognize the Minister's explanation that the department will try to help, I would like him to be more specific and indicate how they can do this kind of assistance, particularly when it appears as though they are making cutbacks in this section of the department at a time when the Northern Affairs Department is also indicating significant cutbacks in the area of development activities related to business and corporate type of enterprise developments in remote communities.

Although we haven't arrived at that section yet, I note that the Human Resource Management section has been cut by about 60 percent, and that is an area that I would think would relate more to the kind of activity that would be required in a northern community that has not had much experience with business enterprises in the past, and therefore require a considerable amount of human resource type of counselling and assistance in order to get an operation established and they require ongoing assistance once that business is established in order to maintain it and to make it a success.

The kind of work that is required is much more intensive than the kind of work his departmental consultants would be doing if they were dealing with a firm like McCain Foods or some other corporate enterprise that's establishing in an urban centre in Manitoba. And I would like the Minister to indicate if, in fact, there is anything in here that is different from last year, if there is going to be any attempt to pick up that slack that is obviously going to occur from the cutbacks in Northern Affairs. Are you bringing in other specialized people that will do this kind of thing or are you just relying on the traditional people who have been offering their assistance — granted it is valuable assistance — to the existing firms and sophisticated businessmen of Manitoba? Are you bringing in any specialists to assist in filling up that gap that will result from the cutbacks in Northern Affairs?

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

**MR. BANMAN:** Well, Mr. Speaker, let me just briefly answer some of the questions. As far as the manpower training — and the member will appreciate that comes under another appropriation over here and I don't know if we should tackle it now — but you mentioned the Human Resources Management and I think I'd like to deal with it there.

But along the lines of, for instance, counselling, as far as businesses, small enterprises that are having problems with accounts receivable and that type of thing, which is a very common thing in the small enterprises, we have a group of people who are doing that. The Federal Business Development Bank has established a program called CASE which is dealing with that.

The Canada Manpower people are providing more funds for training which we hope to plug in. So as I mentioned in my opening statement, there are certain areas where there are other agencies moving on and we hope to go ahead and capitalize on those as much as we can so that we don't provide any type of duplication.

We think that we can do that if there is — because of some cutbacks in some other areas — an increased demand put on some of our services. I think the staff will be able to handle a fairly large level of that as well as transfer some of those problems that the smaller entrepreneurs have, whether they be in Wabowden or wherever, if they've got problems with accounts receivable or they've got some marketing problems there are expertise available now which are being developed through the CASE Program and others which we hope to plug in on.

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

**MR. BOSTROM:** Yes, Mr. Chairman. I am somewhat familiar with the activities of the CASE Program and I know that they do offer some limited service to small business enterprises in Indian Reserves and remote communities on an "as-required" basis and usually very specific kinds of activity. However, the kinds of activity, the kind of support service that is required to develop, for example, a logging operation in a remote community, would not be the traditional kind of service that's offered by a CASE worker. It is not the kind of service that would be offered by a Manpower official.

The reason that in Northern Affairs the section called "Northern Manpower Corps" was set up is essentially because of the lack of effort and the lack of productive type of effort on the part of these Federal agencies and/or the traditional type of activity of the line departments in the Government of Manitoba. The kind of thing that the Report on Government Organization and Economy recommends is folly in my view because when they say that the line department, such as the Department of Industry and Commerce, can carry out the kind of activities that the Department of Northern Affairs was carrying out in relationship to the remote communities, the native communities in Northern Manitoba, that's just nonsense, Mr. Chairman; because the type of activities, the type of counselling assistance that the people in the line departments have been offering is much different. It's a much different kind of assistance than the type of assistance that the people in Northern Affairs were offering to the northern communities.

I've made the point before and I make it again, that the kind of person who is used to working with the sophisticated business enterprises such as McCain Foods or any of the top manufacturing companies that are either established in Manitoba or desirous of establishing in Manitoba, the kind of skills and the kind of techniques that are used in working with those sophisticated businesses are much different than the kind of skills and techniques that are required for working with relatively unsophisticated business entrepreneurs in northern communities.



And unless the Minister can tell us that there are people in his department that are either going to be taking a specialized training to be able to carry out these activities and/or he's going to recruit people who are familiar with the kinds of needs of northern Manitoba, or he is going to try to develop people within his department to fill those needs, I have to assume that these needs will not be met, Mr. Chairman, and the kind of recommendations that are made in this report on Government Organization and Economy are ridiculous. Because all that we will see is a cutback in Northern Affairs, with no picking up the slack in any other government department, including this department that's before us today. I would like the Minister to prove me wrong. I would very much like to hear him say that, "Yes, we are going to be able to offer this service that Northern Affairs was offering before, and we're going to be able to offer it because we have this person and this person and this person that we are either recruiting or we are training to carry out that function, and they will be able to do it."

Because if he's just telling us that the traditional business consultant types that are working in his department — granted they have expertise in the areas that they are working in — but they do not, I submit, have expertise in developing business enterprises in the relatively unsophisticated communities in Northern Manitoba.

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

**MR. BANMAN:** Well, Mr. Chairman, just to very briefly reply to the member and I think the member will agree that with the program such as CASE — and we have a special section in the department now which deals basically with problems that entrepreneurs face, whether it be in the southern or northern communities, and that is one of managerial and again, accounting problems — in many of these instances the people, especially in the CASE Program who have been in the field of business, know what the problems are. I think that is one of the most valuable types of assistance that we can give to people who are having financial trouble, and I think the member will agree with that, because they understand what is happening in the business. It's pretty hard sometimes to understand if you haven't had your neck on the chopping block yourself and know what's happening.

So we feel that we will be able to provide that service should there be a substantial increase in the workload in the department. I'm sure that we will try and accommodate them as best we can and definitely have a look at it come next year if, in fact, some of those things that the member mentions as far as the Task Force are made policy. My Estimates don't reflect the changes that the Task Force talks about, and for those reasons I can't deal with that.

**MR. BOSTROM:** Well, Mr. Chairman, I don't agree with the Minister's statement that his Estimates do not reflect the report on Government Organization and Economy. There's too much of a coincidence between the Estimates that are before us and the Department of Industry and Commerce write-up in the report, Volume II. If you go through the report, Mr. Chairman, and note how it relates to this Minister's department, either his departmental officials wrote this report and submitted it to the Task Force for them to, in turn, recommend to government, or his department jumped the gun and grabbed the Task Force's recommendations half-way through their working efforts and implemented them. One of those statements must be correct, Mr. Chairman, because if you look at the Task Force recommendations, there's just too much of a coincidence here between these recommendations and the Estimates before us for it to be just merely a coincidence.

I think there must have been some definite collusion. There must have been some definite working along the same lines between the department and the Task Force. And, in fact, Mr. Chairman, I believe, I believe this is just as I said the other day, "the tip of the iceberg". We will find when we go through the government departments' Estimates by Estimates that in each case the Progressive Conservative Government in this province decided what they wanted to do. They set up the Task Force as a straw man which everybody could get mad at and throw snowballs at and kick at and yell at. But, Mr. Chairman, it was the Cabinet Ministers and the people in the Progressive Conservative Party that decided what they wanted to do with these departments. They gave those recommendations to the Task Force and then they said, "Give these back to us and we'll blame it all on you fellows."

Mr. Chairman, if you look at this department you'll see that one of the recommendations is the Economic Development Advisory Board should be disbanded in its present form. That's already occurred, Mr. Chairman. Before the Task Force came out the Minister had announced that this was taking place.

The Manitoba Bureau of Statistics is providing a lot of information of doubtful value, that's one of the Task Force's recommendations. Well, Mr. Chairman, before the Task Force was tabled the Minister had fired the Director of Statistics and he had reduced the Bureau's budget. In fact, if you look in these Estimates you see that the Bureau's budget is reduced by \$170,000.00.

So, Mr. Chairman, those are two things that are happening that are too much of a coincidence to be called just merely a coincidence.

The third thing here recommended, Mr. Chairman, is that the Manitoba Transportation Economics Secretariat should be reduced by 50 percent and amalgamated with the research functions of the Department. Well, we look in the Estimates, Mr. Chairman, and we see that that Secretariat was reduced by 40 percent. So there's another absolutely comparable action to what is being recommended by the Task Force.

We look at the Executive. It says, "Executive expenditure should be reduced by 20 percent." That's a recommendation of the Task Force. We look in the Estimates and we see that it was reduced

by 15 percent, almost on the mark.

In the Enterprise Development area, which is before us now, the Task Force recommendation is that, "The Enterprise Development group expenditures should be reduced by 20 percent with general reduction in all the areas including: Administration, Small Enterprise Development, Human Resources Development, Technology and Supply, Marketing Distribution and Design, and Regional Co-ordination." Well, Mr. Chairman, we look at the Estimates that are before us. We see that at least that much of a reduction has occurred. There has been a 9 percent reduction in Administration; a 10 percent reduction in Small Enterprise Development; a 60 percent reduction in Human Resource Management, showing you where this government's priorities are, "To hell with Human Resources. We'll just knock those down." The Technology and Supply were reduced by 30 percent; Marketing Distribution and Design by 9 percent; Regional Co-ordination, a slight increase.

Overall, Mr. Chairman, the general recommendation of the Task Force report has been already achieved in these Estimates that are before us. And, Mr. Chairman, I know enough about the Estimates process to know that all of these things were decided well in advance of this Task Force report coming out. These things weren't just decided last week. This Minister has been working since he was appointed in October, going through the Estimates with his department, conferring with his Cabinet colleagues, and coming up with this set of Estimates.

Mr. Chairman, I submit that these Estimates were put together in this form, ready to go before the Task Force even came up with these recommendations. So, who then is the Task Force? Is the Task Force a group of citizens set up as the government has maintained to make recommendations to government? Or, Mr. Chairman, are they a dummy group, a straw man, that the government has set up that will be the group that everybody will be mad at about the reductions?

Mr. Chairman, let us put credit where credit is due and where blame is due, and that is on the government, because they have decided on these priorities, obviously, before the Task Force even got into these things.

Mr. Chairman, I don't believe that the staff of this department came up with these recommendations to the Minister. Why would they do that, Mr. Chairman, when in previous years the same staff would have come forward with recommendations for increases in all these sections?

I don't expect that there was an immediate conversion of all the staff of the Department of Industry and Commerce, as soon as the P.C. Government was elected in this province, that suddenly they all became restraint-oriented and ready to recommend all kinds of cuts.

Mr. Chairman, they certainly didn't create any great transformations in the public service, I can tell you that. So, Mr. Chairman, who made these decisions? The P.C. Government made these decisions to make these cuts. They gave the information to the Task Force. They said, "Just give this back to us boys, and we'll blame it all on you." And that's exactly what's happened here. It's too much of a coincidence, Mr. Chairman, to see these things being before us in the Estimates here and to believe that somehow the Task Force is the one that is to blame here to make the recommendations.

If you look at the Trade Development Group even, Mr. Chairman, they recommended that the Trade Development Branch be discontinued. The Trade and Industry Group expenditure should be reduced by 30 percent. If you look at the Estimates bang-on, it's been reduced by 30 percent.

So, Mr. Speaker, this report that we have before us here in the booklet, Report on Government Organization and Economy, these Task Force recommendations, I submit, must have been written by the Minister or certainly in consultation with his Cabinet colleagues. They made these decisions well in advance of any of these recommendations coming out through the Task Force Report.

Just in general, Mr. Chairman, I believe that what they are doing here is revealing where their priorities are because in every area, even of this department which is not really that significant in terms of its impact in the human resources side in Manitoba, you can see where their priorities are because, Mr. Chairman, they make their largest cuts where? In the area of human resource management. They make their largest cuts in the areas that most directly affect people in this province and we will see that same kind of callous disregard for people in all of these Estimate processes, Mr. Chairman. As each one of these Estimates come before us, I intend to get up and reveal where this government is making cutbacks which are directly affecting people in this province most severely, Mr. Chairman.

**MR. CHAIRMAN:** 2.(a)(1)—pass; 2.(a)(2)—pass; (a)—pass; (b)(1)—pass. The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, I don't want to appear repetitive but the area of Small Enterprise Development, I believe, is the one where the Minister indicated is one of his greatest interests. I wonder if he could elaborate on just how he proposes that the government, this government, will react to the needs of Small Enterprise Development.

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

**MR. BANMAN:** Well, Mr. Chairman, and I don't want to sound repetitive or anything but I think one of the areas for developing small enterprise, whether it be in helping entrepreneurs that are having certain managerial problems or certain marketing problems, this is the role of this particular department. The problems are many and if people that are in the field have certain expertise, whether they be in the farm machinery end of it or the garment industry, there are people within the department that have certain expertise in those fields and are available to the different entrepreneurs

that wish to avail themselves not only of expertise that will help them expand but also make them a little more viable, a little more competitive. So this is that particular area.

Also, I guess without getting into the appropriations, it also provides for some grants for feasibility studies for incentive development as far as the new enterprise foundation and several of the other programs.

As I mentioned before, one of the biggest things I believe is to have somebody that is well equipped to handle the different problems that come up in the different sectors of business in the province. I should mention that the majority of the time of the whole department is spent with small enterprise and I would venture to say that we spend about 75 percent of our time dealing with small enterprises as far as the whole department is concerned. One of those reasons, of course, is that the majority of entrepreneurs in Manitoba are small.

So, like many other things, Mr. Chairman, some of the impacts and assessments of it is very hard to measure. As the former member acknowledged several times also, it's almost like — how should I say? — like advertising. It's pretty hard to really come up with a concrete assessment of exactly how effective you've been. You can come out and develop reams of statistics for people but I think the group will be working very hard, and has been working very hard, to further the Small Enterprise Development in the province.

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

**MR. BOSTROM:** Well, Mr. Chairman, I listened to the Minister's description, granted it was a very general one, given this government's electoral promises and their electoral stance during the election campaign of last fall. I wonder if he could be more specific and indicate how he will be directing the Department of Industry and Commerce to do anything any different than the previous Minister was doing. What the staff of this section, for example, that's before us right now, what they will be doing now and in the future that will be different and how it will be different than what was occurring with the same staff prior to October, 1977.

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

**MR. BANMAN:** Mr. Chairman, I will reiterate again. I said that the programming as far as the Estimates, and if he looks at last year's book, is very much the same as far as the different groups are concerned. There are several things that we are embarking on and one big thing will be the Industrial Development Agreement which we hope will stimulate, not only the small enterprise development group but as well the larger industrial sector and that's what we're working on right now and that will be one of the major thrusts of the department if that agreement is signed.

**MR. CHAIRMAN:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, I find that there are 23 people planned for staff man years in this operation as compared to 22 people planned for last year. There is a reduction in the amount of salaries to be paid. There are 23 people apparently who it is expected will be earning \$554,000 which I am guessing to average \$25,000 a year. I may be away out with my arithmetic, but then the Honourable Minister himself has been known to use guesstimates so mine is just . . . I do have a calculator with me; I could calculate it if he likes.

I'd like clarification on the salary level involved there and then I'd like to refer him back to item — which we've already dealt with — 1.(c) Administration, where he seems to be allocating a lesser sum of money for salaries for 46 employees. I'd like to get a reconciliation of that.

**MR. BANMAN:** Mr. Chairman, I'm informed the administration staff is the group that administers the different programs. This particular section has some professional staff, consultant type staff, which is higher paid than the other staff. There are two vacancies which were funded for last year and will not be funded for this year.

**MR. CHERNIACK:** Then I find, having my found my calculator, I find that the average salary planned in 1.(c) for 46 people is something just over \$10,000 and the average salary in this item before us is \$24,000 — quite a difference, I would think.

I would also like to get a clarification on why it is that the Minister is planning to continue to work on contract, having 7 out of 23 people on contract for this current year.

**MR. BANMAN:** Mr. Chairman, one of the reasons is that the department has adopted — was it a year ago, or a year and one-half ago — a system where they have a secretarial pool which does all the typing for the whole department, so that administration staff is where the secretarial pool would be involved and this particular item would be the people that deliver the service. So that the one would be clerical staff and the other would be regards to the more professional staff.

**MR. CHERNIACK:** Mr. Chairman, I thank the Honourable Minister for pointing that out. It would appear that the efficiencies brought in by the previous government are being approved and

continued by the Honourable Minister. I think he's to be commended for that.

Mr. Chairman, I wonder, since this item takes up about 75 percent of the time of the department, or the energy of the department, whether this is the occasion when the Minister will give us the breakdown of his guesstimate of — what was it? a billion dollars? I don't remember, but I think it was a billion dollars — of business driven out. Is this the occasion? Is it small enterprise or will he deal with that under his salary? Whatever he chooses, it's okay.

**MR. BANMAN:** Well, Mr. Chairman, I think I've tabled some capital investment figures the other day and I think I dealt with it.

**MR. CHERNIACK:** Oh, I didn't see them.

**MR. BANMAN:** I think if the member would refer to Hansard, it was read into the . . .

**MR. CHAIRMAN:** (b)(1)—pass; (b)(2)—pass; (b)—pass. The Honourable Member for St. Johns.

**MR. CHERNIACK:** I'm sorry, Mr. Chairman, I was a little slow in rising. I wonder if the Honourable Minister can give us some idea of the nature of the expenditures of \$235,000 and how they compare with the \$281,000 from last year. In other words, is there just a percentage reduction of these or is there the elimination of some major item?

**MR. BANMAN:** Mr. Chairman, there is sort of a general reduction. Feasibility assessment, \$35,000; technical consulting services about \$30,000; this is the department that has the Dauphin development centre which was sort of a pilot project which the Member for Brandon East referred to, that's \$42,000; Community Management Programs which puts on seminars, \$35,000; travel and expense is about \$40,000; administration and general expense is about \$30,000.00. These are some of the larger figures.

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

**MR. BOSTROM:** Thank you, Mr. Chairman. Here again, Mr. Chairman, I note that last year there were 22 staff man years in total allocated to this section of the department. Now there appears to be an increase in those to 23. At the same time, there is a reduction in the amount of money allocated for these. I also note that at the same time as there was one vacant staff last year, there are two vacant staff at present so that the total on staff remains the same but an additional position appears to have been created here and I would like the Minister to explain what that new position is and how it relates in this section.

**MR. BANMAN:** Well, Mr. Chairman, I mentioned just briefly a while ago that two vacancies that have been there, I understand for a year and one-half or so, that were funded for last year were not filled, and they are not funded for this year.

**MR. BOSTROM:** Mr. Chairman, is the Minister saying that those two staff man years have been cut from his Estimates as SMY's or are they simply contract positions that were eliminated? What is the status of that?

**MR. BANMAN:** No, Mr. Chairman, the positions have been deferred. We have not provided funding for them.

**MR. CHAIRMAN:** (b)—pass. The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, I wonder if at this stage you would permit me to ask the honourable member, I was looking for what he said, I asked him about that guesstimate of a billion and he said he tabled it. But I'm wondering if he means that what he talked about was investment capital which I find he dealt with yesterday afternoon.

Well but, Mr. Chairman, then I'm not saying this is the point to raise it. It's just that he responded and I don't want to press the issue but there is nothing that I could see — and if it's there I would like to be told what page to look for — where the Minister was able to justify his statement of some time ago that, as I recall it, that inheritance taxes have driven a billion dollars of investment out of the province.

I think that's the statement he made in a general way and I thought he had undertaken to give us a sort of a breakdown of that guesstimate. I think he did promise, and I haven't found it yet.

**MR. BANMAN:** No, Mr. Chairman, I think I mentioned that the document was tabled at that time, in the winter session. I mentioned that it was a guesstimate just as the member referred to a guesstimate here before, too.

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

**MR. BOSTROM:** Thank you, Mr. Chairman. Again I come back to that question that I asked about the staff man years because I noted in the 1977-78 fiscal year there were 15 permanent staff in here, in

this section before us, and in the year that is in the Estimates before us there appears to be 16 permanent staff man years. That does appear to be an increase in permanent civil servants in that particular section.

Now, could the Minister explain what is the status of that new position. Is that a position that has been transferred in here? Is it a new one that was created? Is that position filled, and who is filling it? What is that person doing?

**MR. BANMAN:** Mr. Chairman, that was a position transferred from another part of the Estimates, or another part of the department. It has to do with a secretarial person who works up at the Parklands Pilot Project up there with the Dauphin Development Center, and that's where that particular person works.

**MR. CHAIRMAN:** (b)—pass — the Honourable Member for Rupertsland.

**MR. BOSTROM:** Could the Minister perhaps be more specific. I note he says that this position was transferred from another section. What section in the Estimates would it have been transferred out of, into this particular section that is before us?

**MR. BANMAN:** The Executive Division, Mr. Chairman.

**MR. CHAIRMAN:** (b)—pass; (c)(1)—pass the Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. I was a bit slow — my apologies — in rising to speak on (c)(1).

I would like to first just ask the Minister quite quickly, he shows a total of four staff people, I'd like to ask him to break down for us the responsibilities of those four people. The four staff that you show on your sheet that you presented to the Committee yesterday, or the day before I believe, for the 1978-79 year under Human Resources Management. You're showing four. I'm wondering if you might break down the responsibilities of those four people — four staff.

**MR. BANMAN:** The people involved are four staff — one is a Director and three are Consultants. And the functions include management training for small business, funds for cost-sharing human resource management programs with firms, and the administration of the office. Also employment information and other related consultant services.

I just would, at this time, like to answer a question that the Member for Rupertsland put. One of the reasons for this appropriation being somewhat down is in the last two years there were funds voted as a contingency in case the need for support on the Canada-Manitoba Industrial Training Agreement.

Those funds were never used and as a result this year the funds were not included. I understand that we are dealing with the Canada Manpower and we are hopeful that we will receive more funds for industrial training in this coming year.

**MR. BOSTROM:** Thank you, Mr. Chairman. Is the Minister saying that he expects to get these funds from the Federal Government, or in the event that there is this industrial agreement signed will he be coming in with supplementary Estimates or would he be going for a special warrant of some kind?

**MR. BANMAN:** Well, Mr. Chairman, if there is an industrial development agreement signed, as the member knows, the funding has to be provided from the province even though it's a 40-60 split. And that would then have to come in in supplementary supply.

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

**MR. COWAN:** Yes, Mr. Chairman, just one short quick question here, again. I note that there is one staff reduction for the 1978-79 year, as compared to the 1977-78 year.

I am wondering if the Minister could indicate what the responsibility of that staff was last year, that has been dropped from the Budget this year.

**MR. CHAIRMAN:** (c)(1)—pass — the Honourable Minister.

**MR. BANMAN:** Mr. Chairman, it was small business management training, and that is going to be handled by the staff that are there now.

**MR. COWAN:** Well, if the Committee will excuse me for what may be seemingly ignorance — and I'm sincere about that, having not been in this process before — I'm wondering if the four people that are left will be performing much the same functions of their corresponding four persons in the previous year. In other words, are those four people doing the same job, so to speak?

**MR. BANMAN:** Yes, Mr. Chairman. I am advised they will be doing a little less research but they will be doing a little more administratively.

**MR. COWAN:** What impact then, could the Minister kindly inform me, will that doing a little less

research have on the department as a whole? What does he foresee as the result of doing less research in this one area?

**MR. BANMAN:** The central research is going to be picking up on some of that slack and we feel that the people involved in this particular function can continue at the level that it was before.

**MR. COWAN:** I note in the Annual Report that one of the priorities or purposes of the Human Resource Management Department is to provide information related to the demand side of the labour market for small enterprises, I assume, and I assume that that would be done with a priority on those socially disadvantaged or physically disadvantaged people, and I'm wondering if that is still the case.

**MR. BANMAN:** Yes, Mr. Chairman, they do handle some of that, too.

**MR. COWAN:** The Minister would then confirm that with the staffing that he has appraised for this year they will be able to continue the service at the level that it was continued in the past years.

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

**MR. COWAN:** I would seek some direction from the Chairperson. I'm not sure if this question is in order, but I'll ask it and you can rule accordingly. Will the department be relying on the Bureau of Statistics as it did in the past number of years?

**MR. BANMAN:** Mr. Chairman, it is my understanding that this agency never did use the Bureau of Statistics.

**MR. COWAN:** Then I would be correct in assuming that the Human Resource Management Agency at no time in the past used the Bureau of Statistics to provide it with information that would be — as outlined in here — information related to the demand side of the labour market, that that was information provided within the agency, itself.

**MR. BANMAN:** Mr. Chairman, I can't make a blanket statement going back, but I am informed that they used Stats. Canada information.

**MR. COWAN:** Thank you, Mr. Chairman, and the Minister. I wouldn't ask you to make a blanket statement. I am just trying to bring my own knowledge of this department up to date, if I can. So if some of these questions sound simplistic or redundant, my apologies again. It's just that being new to this I have to delve a little bit on a lesser level to begin with.

So we find, now, that the department is going to still supply — and I just want to confirm this with the Minister — the same level of expertise in the area of the information related to the demand side of the labour market as it has done in the past, under its reduced Budget and its reduced staffing.

**MR. BANMAN:** Yes, Mr. Chairman, as it did last year.

**MR. COWAN:** Okay, I'm pleased to hear that, because I think, Mr. Chairman, if there are any horror stories to come out, that those horror stories are not horror stories of waste and mismanagement within the government itself, within the departments themselves, but there are horror stories that are happening on the outside that are happening because of waste and the mismanagement of the human resources of this province. I would hate very much for this department to be cut in such a manner so as to aggravate that waste — which does exist. It existed under our government and it will exist under your government.

Fortunately, what we can try to do is to alleviate it to the greatest extent possible. I feel quite satisfied, if what the Minister tells me is true, that he will direct those departments to direct their energies toward that section of the labour market which is in most need of the services of this agency.

So I would just thank him very much for the information that he has given me.

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

**MR. EVANS:** Yes, Mr. Chairman, I don't know whether the Minister answered the question or not, I was unfortunately out of the House for a minute. But could he explain the reason for the cutback — are we under (c)(1) or (c)(2)?

**MR. CHAIRMAN:** We're under (c)(1) Salaries.

**MR. COWAN:** Thank you, Mr. Chairman. I would just ask the Minister if he could break down that \$36,100, how specifically it's being used. I know that we're talking about how some of it isn't being used, but I'd like to know how that specific amount will be used in the Estimates.

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

**MR. BANMAN:** Roughly, Mr. Chairman, \$19,000 for Administration; \$13,600 for Small Business Management Training and roughly about \$4,000 for Employment Information.

**MR. COWAN:** Okay, thank you, Mr. Chairman. I was just jotting those down. Administration, could he break that down further, please, just to explain to myself where that money will be going within that category?

**MR. BANMAN:** Membership fees, \$200.00; Printing and Stationery, \$6,000; postage, telephone and telegraph, \$1,000; computer services, \$4,000; automobiles, \$3,000; publications, \$500.00; freight, express and cartage, \$1,500; travelling, \$6,300; and grants, business, \$13,600.00.

**MR. COWAN:** I would ask the Minister, Mr. Chairman, how that would compare with those same expenditures in the previous year?

**MR. BANMAN:** Mr. Chairman, they are quite close except for the fairly large grant, the last figure, which was \$146,000 last year and it's 13.6 this year. And the reason for that change is the one I mentioned before today for the Member for Brandon East.

**MR. CHAIRMAN:** (b)(2)—pass. The Honourable Member for Brandon East.

**MR. EVANS:** Mr. Chairman, I'd like to ask the Honourable Minister whether he has made any contact with the Unemployment Insurance Commission officials, or with the Minister responsible for the UIC Branch of the Federal Government with respect to the level of payments in Manitoba.

A couple of years ago the Minister, who was then the Member for La Verendrye, was very concerned with the level of unemployment insurance payments in this province; that, in effect, it took away I believe he felt, some sort of incentive for people to work in small enterprises that don't pay that well; and he wondered whether we would make any representation to the Federal Government. So I ask him now that he is Minister, has he made any representation; or if he hasn't does he intend to make to make representation to the Federal Government to have them reduce the level of unemployment insurance benefits for the workers in Manitoba who unfortunately may be unemployed?

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

**MR. BANMAN:** Mr. Chairman, there have not been any formal submissions along that line at the meeting of Industry Ministers in Ottawa. There was some feeling that that topic should be discussed further with the Federal Minister as far as the level of payments, the time frame as far as the waiting period; it was discussed very briefly, but there have been no formal presentations along that line.

**MR. EVANS:** Mr. Chairman, I want to make it quite clear that I do not advocate any reduction in the rate of unemployment insurance payments. I think if it weren't for the Unemployment Insurance Commission and that program, our economy would be in a lot worse shape than it is already.

But what I would like to know . . . I am sad and sorry to see people having to collect unemployment insurance. I think people should work and most people do want to work. But unfortunately the work opportunities are not there and so we have a lot of people drawing unemployment insurance payments. But what I would like to know from the Minister — I understand he has had discussions — I would like to know what his position is on this matter. Is he of the opinion that unemployment insurance rates of payment to those who are unfortunately unemployed — does he have the opinion or the view that those rates of payment should be reduced? In other words, should those unemployed in Manitoba be receiving smaller payments per week or per period of time? — that you may wish to consider. I'd like to know what his position is on this particular matter.

**MR. BANMAN:** Mr. Chairman, I'm reviewing that whole matter right now, but right now it's a Federal problem and they'll be working with it we will be making an assessment of the situation and making representation along that line.

As I mentioned, it was discussed briefly at the Ministers' meeting in Ottawa two months ago, and there was a consensus there that we would enter further discussions to see what impact that was having in the province, again referring both to the level of payments as well as the waiting period, which is now of course different in different jurisdictions throughout Canada.

**MR. EVANS:** Yes. Mr. Chairman, I'm now looking at Hansard of April 26th, 1976, when the Minister was the Industry and Commerce critic for the then Conservative Opposition. He expressed a great amount of concern about unemployment insurance payments. I wonder if I could read a bit of this and then pursue our discussion on this matter. I'm quoting from the Honourable Minister's remarks on Page 2,878 of the Hansard of April 26th, 1976.

"And thirdly, the manpower. I would like to elaborate on this maybe a little more after, things like, have we made any representation to the Federal Government with regard to the UIC," Unemployment Insurance Commission, "and what I mean by that is that it seems to be becoming a

way of life for many people. I think our period as far as the amount of time you may have to work, eight weeks, and then you can draw for another 44 is way out of whack. I'm wondering what the Minister's views are with regard to that. We've got people that are almost becoming professional people at drawing UIC, by being able to work eight weeks and then draw, and I'm wondering if we made any presentation to the Federal Government with regard to that. I realize that the UIC payments don't come out of the provincial coffers but they're still costing the Manitoba people that are contributing to that particular fund.

I might add at this time because of our low rate we're probably . . . I think Quebec is considering UIC as a sort of equalization payment, which we of course in the western provinces are losing out on because we have a lower unemployment rate. The Maritimes and of course Quebec have a much higher one. So I wonder if the Minister has made any representations to the Federal people with regard to UIC, and what his views are also on the announcement made not too long ago that we might even be cut down as far as the amount of payments that we will be receiving compared to Ontario or Quebec, as far as the weekly rates are concerned."

And then he goes on to make reference to the Minister of Labour's portfolio and so on. But I think this is a very critical matter, Mr. Chairman, and I appreciate what the Minister has told us so far, that he's had discussions and so on. I think I've got the message, that is, that he's still of the view — there are views on waiting periods and so on, but he's still of the view that the Federal Government is being overly generous in paying unemployment insurance to unemployed people in Manitoba. I gather that is what the Minister is telling us; that he believes that the Federal Government is being too generous to the unemployed people of this province because the unemployment insurance rates of compensation — or whatever you call them — are too high.

**MR. BANMAN:** Well, the member if he'll check, since that time I think the Federal Government has made some adjustments with regard to the waiting period. That Bill I think went through last year, so that there is a longer waiting period. It used to be eight weeks and I think we're up higher now. And again that fluctuates whether you're in the Maritimes or in the Prairie Provinces, and what the regional unemployment is.

So there have been some changes in that already as far as that is concerned; the implementations of that and the exact ramifications is something we'll be looking at. I still think that eight weeks is not a long enough time period to wait. I think it should be a little longer because that is not a very long time to be unemployed in between jobs. I think that is something that we'll have to assess with the new regulations that the Federal Government has put forth.

**MR. EVANS:** Well, Mr. Chairman, so much for the waiting period. But with regard to the rate of compensation, the level of payment by the Unemployment Insurance Commission, I had the impression from comments made in previous years by the Honourable Minister when he was in opposition, that he somehow or other felt that the payments by the Unemployment Insurance Commission to the unemployed, somehow or other detracted from the availability of labour for small businesses in Manitoba; that somehow or other it made it difficult for the small businessman to get the necessary manpower. It made it difficult for the small businessman because the small businessman paid either the minimum wage or close to the minimum wage and that somehow or other this was a detrimental factor. So I'm asking the Minister again then, if he is still of that view that unemployment insurance payments are too high and that therefore the rate of pay by the Unemployment Insurance Commission to the unemployed in Manitoba should be reduced.

**MR. BANMAN:** Mr. Chairman, I'm just going to say again, that it was discussed. We're reviewing the thing and when I have had a chance to look at it properly, I'll be making a statement on it.

**MR. CHAIRMAN:** (c)(2)—pass; (c)—pass. 2.(d)(1) Salaries— pass. The Honourable Meer for Brandon East.

**MR. EVANS:** This is the area of the Budget, or of the Estimates, I believe, Mr. Chairman, where the Manitoba Research Council is covered. I wonder if the Minister could advise the House just what the major programs are. I appreciate he wouldn't have detail on all the activities of the staff in Technology and Supply, but I would think he could advise us of some of the major thrusts.

I notice that there's been a considerable drop in salaries, so I wondered, specifically, what does this mean in terms of staff? I guess we have the table here so we can compare Technology and Supply. Last year, seven positions; this year it says seven positions. So I'm wondering whether I'm reading this properly, but it shows quite a drop in salaries. I don't know how you can have such a drop in salaries and show the same number of staff man years. At any rate, that's one area of questioning.

The other area is, what are the major thrusts this year of this particular branch?

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

**MR. BANMAN:** Yes, Mr. Chairman. I understand that last year there was funding for two vacancies which weren't filled. This year there was another vacancy created, so we've got three vacancies there for which the funds weren't provided. There was also one contract for \$30,000 that is also vacant.

**MR. EVANS:** Thank you for that information, Mr. Chairman. Could the Minister now advise us of



the major programs that he expects this branch to undertake in the year ahead? What are we going to get for the \$122,000 of salaries to be paid out? My recollection is, that there are some very competent people, very highly trained people in this branch and they have served the public of Manitoba well over the years. I'm just wondering if he could advise us as to what are the major programs that the staff will be engaged in in the year ahead.

I can tell him, as I recall in the past, there was quite a development with regard to enhancing food processing in Manitoba. We had something of a Canada Food Products Development Centre. I'm wondering whether this centre is still proceeding. Maybe it's under Grant Assistance, but nevertheless it's a program that the staff will be involved in, so it's legitimate to talk about it at this point.

What about the development of health products, medical products, that might be manufactured in Manitoba? Is there any emphasis on this, this coming year? And what about other projects that could be undertaken by the staff?

**MR. BANMAN:** Mr. Chairman, first of all let me say that the Food Development Centre constitutes the main portion of that particular grant. We're going ahead with the one in Portage la Prairie, and I understand it's going to be opening very soon in a new building that was built.

One of the large components that we envision with regard to this particular branch is the administration of one of the components that we are negotiating with the Federal Government as far as the Industrial Development Agreement is concerned, namely, the Research and Development side of that particular agreement.

And the member points out that there are certain areas such as the health care products and stuff like that, which will require substantial amounts of funding as far as R and D is concerned and we envision this group being fairly active there.

They continue to support technology for selected enterprises, provide engineering advice, quality management advice; provide material sources advice; also are very active right now dealing with support standards and metrification processes, dealing with all the different acts as far as metrification is concerned.

So they envision right now with the Budget before us, to give technical information and support to roughly about 200 firms, deal with about 6 RADAP Projects and to give technological support for a number of industries.

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

**MR. EVANS:** Thank you. Mr. Chairman, would the Minister give us an update on the monitoring of the new waste disposal system that has been put in place in Brandon? It was a new technique developed as I understand, by the city engineer, a Mr. Hughes, and it was considerably less costly than the conventional waste disposal systems that municipalities usually invest dollars in. I believe we did agree to provide funding under this branch a year or two ago, to assist in the monitoring of this new system, and if the new system works, it can be very very instrumental in reducing the costs to municipalities in Manitoba who in future may wish to or may have to put in new sewage and waste disposal systems. So could we get an update as to how this system is working in Brandon?

**MR. BANMAN:** Yes, Mr. Chairman. We will provide a report for the member. I wonder if I could . . . just before 5:30. . . the Member for St. Vital asked me some questions with regard to computer services. The amount of. . . I don't know, would he want it itemized, or just quickly go through it?

**MR. WALDING:** No, Mr. Chairman, I didn't want it itemized, it is just for the whole department and if it could be possible to break out the Bureau of Statistics as one separate item, that would be sufficient.

**MR. BANMAN:** Mr. Chairman, last year's computer work was \$45,800.00. Of that \$13,000 was Manitoba Bureau of Statistics. This year the grand total is \$55,500; 16.6 is Bureau — 16.6.

**MR. WALDING:** One further question to the Minister, Mr. Chairman. Can the Minister tell me whether the \$13,500 that was appropriated was in fact spent over the year?

**MR. BANMAN:** Mr. Chairman, we will have to check that and get back with the answer.

**MR. CHAIRMAN:** The hour of 5:30 having arrived, I'm leaving the Chair to return at 8:00 p.m.

**CONCURRENT COMMITTEES OF SUPPLY  
SUPPLY — AGRICULTURE**

**MR. CHAIRMAN, Mr. J. Wally McKenzie (Roblin):** First of all, gentlemen, I'm filling in for the Honourable Member for Crescentwood this afternoon who's ill. With your permission, I'll Chair the Committee today until his health improves. The Clerk reminds me that the interjection mikes along the centre of the table are live at all times so make sure that any of the remarks that you make are favourable for transcription, as they will be transcribed accordingly and appear in Hansard.

Also, for the good of Hansard and for the record of this province, make sure that you let me introduce you before you speak if you would, so that it will go into the record and for Hansard's sake that who the member is will be recorded and then you carry on with your comments. With those few remarks, are you ready to proceed?

We're dealing with the Department of Agriculture Estimates Resolution 8, 1.(a). Page No. 8. Now, under this item, I shall allow the Minister to present his introductory remarks and after that, we will immediately move on to (b) and go through the Estimates and then we'll come back when we're finished to the Minister's salary and that's where we will have the wrap-up comments. So, if you're ready to proceed, I'll ask the Minister to, under 8, 1.(a) give the introductory remarks of the Department.

Mr. Uskiw.

**MR. USKIW:** Mr. Chairman, just on that point, Sir, I believe that it would be proper to allow fairly wide latitude on the first section because it has to do with overall planning and management of the department so I wouldn't want to have us accept the rule that we couldn't deal with general policies of the department until we get down to the Minister's salary at the end. That's understood is it?

**MR. CHAIRMAN:** Yes, that'll be the last item. The 1.(a) there, Mr. Uskiw, will give you the place for a wide-ranging speech.

**MR. USKIW:** Mr. Chairman, I don't think we're reading each other here — well, at least I don't believe you are understanding my position. Under Planning and Management, as I would interpret that, that encompasses the whole philosophy of the department and all of its programs. Therefore, I wouldn't assume that we would be restricted in our debate on any part of the department with respect to the policy and programming of the department.

**MR. CHAIRMAN:** Yes, no problem. Okay, proceed. The Minister of Agriculture.

**MR. DOWNEY:** Mr. Chairman, I am pleased to present to the Assembly, the Spending Estimates for the Department of Agriculture for the fiscal year 1978-79.

In line with the government's program of economic restraint, a thorough review of the Department of Agriculture's spending has been undertaken. As a result, there is a marked reduction in the Department's spending authority from \$36,506,300 last year to \$29,829,900 for the 1978-79 fiscal year. This is a reduction of \$6,676,400.00.

At the outset, let me assure members that although we have been able to effect substantial economies within the department, every assurance has been made to provide a high level of service to all farmers in the province and to the general agricultural community.

For the benefit of members, I will identify briefly the areas of expenditure reduction:

The Beef Producers Income Assurance Program estimated expenditures are reduced reflecting the present upswing in the beef cattle market.

The Rural Development Corps Housing Construction and Repair Program is being phased out.

A decision has been made to withdraw from the existing agreement for administrative and financial support of the Louis Riel Co-operative ladder manufacturing plant in St. Laurent effective July 31, 1978. Negotiations are now in progress whereby the Co-operative will assume full responsibility for the plant's operation.

The activities of the Manitoba Agricultural Products Marketing Commission are being suspended after completion of the present contract for buckwheat with Japanese interests. This activity will be transferred to my department's Marketing Branch.

These are the major areas of expenditure reduction, Mr. Chairman. Other savings will become apparent as we proceed through the estimates.

At this time, I would like to inform the House that discussions have begun at the officials' level with the Federal Department of Regional Economic Expansion and Agriculture Canada on a new package of cost-shared programs. It is our intent that any new programs must reflect a strong emphasis on agricultural production. Concurrent with these discussions, staff of the Department of Agriculture are developing program proposals which will complement this thrust.

The emphasis on agricultural production is reflected in the increased research grant for the University of Manitoba's Faculty of Agriculture for this fiscal year. It is my hope to develop a closer working relationship between department staff and the faculty, utilizing it as the department's research arm to enhance Manitoba's agricultural production.

I would also like to advise members that I hope in the near future to be able to make an announcement in the House on a new credit program for farmers which is being developed by the Manitoba Agricultural Credit Corporation.

Finally, Mr. Chairman, I wish to indicate that there will be some reorganization of the department's regional delivery system to make it more responsive to farmer and agribusiness needs. Essential to this will be the increased emphasis for the role of each agricultural representative in

coordinating and developing district plans. In addition, there will be more emphasis placed on the services available to farm families through home economists and the rural leadership work of 4-H.

Mr. Chairman, these are some brief introductory comments on my department's estimates. I look forward to the comments from members opposite anthe ensuing debate.

**MR. CHAIRMAN:** 1.(b) Farm Income Assurance Plan \$5,775,500.00. The Honourable Member for Lac Du Bonnet.

**MR. USKIW:** Mr. Chairman, I wonder if the Minister would indicate to us just what these changes represent in terms of spending and staff. — (Interjection) —

**MR. CuAIRMAN:** Just bear with me, boys, please, so we get it into the record who is making the remarks so that Hansard is correct. If you just bear with me a moment, I may be a little slow, and I will get your name on the record as who is to speak, if you would just draw it to my attention. Thank you.

**MR. USKIW:** Mr. Chairman, there is quite a discrepancy in the amount as between the last year figure and the proposed figure. Could the Minister explain to us just how that arises and how that relates to any changes with respect to staffing.

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** One of the main areas identified, Mr. Chairman, was the area of the Beef Income Assurance Program, which is reduced over \$2 million. I do not believe that reflects any staff, that particular program reduction in that amount of money.

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

**MR. USKIW:** How many staff persons are involved in that figure of \$5.775 million?

**MR. DOWNEY:** The number of stauf being reduced or the total number of staff in that . . . ?

**MR. USKIW:** What are the numbers of staff persons involved in the Program and are there any changes with respect to the numbers?

**MR. DOWNEY:** There are no staff involved in those dollars.

**MR. USKIW:** I wonder then, Mr. Chairman, if the Minister could tell us just where we are at in terms of harmonizing the Program with the Government of Canada, its Stabilization Program effort. As I understand it there was some desire on the part of the Government of Canada and a number of provinces to bring together some sort of a standard philosophy and objective with respect to income stabilizations. What is the status of those negotiations? Where are we at at the present time?

**MR. DOWNEY:** Mr. Chairman, that point was discussed at the recent Federal-Provincial Ministers Meeting in Winnipeg, I believe it was in January and in general principles the members present were desirous of working towards a program in co-operation with the Federal Government, and that type of a stabilization. However, with the provinces having different types of programs in place at this time, and some of the problems that it might create for the people involved, I am sure that they aren't anywhere near finalizing that kind of an agreement.

**MR. USKIW:** Yes. What is the intent of the Government of Manitoba with respect to the continuation of that Program, or with respect to any changes in the Program in the foreseeable future?

And the second question, Mr. Chairman, is: what is the intent with respect to any possibility of financial recovery through the higher prices that may be in the offing, sufficient to recover some capital to the Department?

**MR. DOWNEY:** Yes, Mr. Chairman, further to my recent comments, I have just been informed that we have two staff in Ottawa at the present time discussing this kind of an agreement.

The next question as far as any proposed changes to the Program, we have no plans to change the Program at this time. We hope to be able to see it continue through from the advice of the agreements, how we are advised by the Attorney-General's Department on how we handle these ongoing agreements with the people involved. .

**MR. USKIW:** Yes, Mr. Chairman. The Minister throws in a very — well it's a bit of a problematical thing for me in order to put together in my mind just what the intentions are — the comment that there is some legal interpretations sought as to our obligations under that agreement. Is the Minister telling us that he is only going to perform under this Program on the basis of his legal obligations as opposed to basis of government intent and philosophy?

**MR. DOWNEY:** Mr. Chairman, I think in getting back to parts of the agreement whether people will be involved in pay-baes cks, I think a market is involved, a futur market is involved of the beef

industry, and certainly it would be hard for me to really estimate at this time if there would be any moneys to be paid back, and that would be where the legal opinion would certainly play a major role in what position the government had to take in regard to the individuals involved.

**MR. USKIW:** To pursue that point further, Mr. Chairman, it is my impression or understanding that should the market price rise above the guaranteed price that there is an opportunity for some recovery of funds under that Program. What is the Minister's policy with respect to that? Is he intending to exercise that opportunity if it arises or is he going to allow the people on contract to retain whatever additional benefits the marketplace may provide pricewise?

**MR. DOWNEY:** Mr. Chairman, if there were not any changes made to the Program it would be the first time in the last several years since it has been implemented that the Program did not change at the direction of the last Minister of Agriculture.

**MR. USKIW:** Mr. Chairman, that is not my question. I expect that there could be changes, I want to know if there are going to be any. What is the policy of the government with respect to that question, are we going to recover any moneys through price changes, upward price changes that may be in the offing soon, or are we not going to bother with that aspect of the agreement whatever?

**MR. DOWNEY:** Yes, Mr. Chairman, I think as I have stated earlier, the decision will be made when we get to that point in time, when we are involved with that problem we will deal with it when it arises.

**MR. USKIW:** Can I assume then that at the present time there is no policy with respect to that question other than the existing one which is that there will be a recovery if the market provides for a higher return than the guaranteed price?

**MR. DOWNEY:** Mr. Chairman, we have been following along the lines as the Program has been implemented from the last administration and at this particular time I foresee not any major changes in the Program.

**MR. CHAIRMAN:** Item 1.(b) Farm Income Assurance Plan—pass. The Member for Ste. Rose.

**MR. ADAM:** I just wanted a clarification. I had to leave the room to go and get my glasses. The \$5,775,500, that is the amount that will be paid out to those who are on the provincial program, is that the amount or is that the administration, is that something to do with administration?

**MR. DOWNEY:** To my knowledge it is the amount that will be paid out to the producers, Mr. Chairman.

**MR. ADAM:** I see. That is the amount that will be paid out for the year 1978 or 1979?

**MR. DOWNEY:** 1978-79 Budget year.

**MR. ADAM:** So the payments will be made out in December? When do you anticipate that the payments will be made to farmers this year? .

**MR. DOWNEY:** Mr. Chairman, I believe this year ' they were made out following the federal announcement. I suppose that it would be the intent to follow the same procedure this coming year as was followed in the past year.

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

**MR. ADAM:** Mr. Cuairman, was there any efforts on the part of the Minister as to why the delay in the Federal part — the Federal input — why the month and a half or two months delay? We know that it is not the provincial fault or the Minister's fault that there was a delay in payments to producers. I was just wondering if the Minister intends to discuss this matter with the Federal Government because this undue delay to people getting their subsidies which they needed very badly by the way, last fall.

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** Yes, Mr. Chairman, I can assure the Honourable Member Opposite that we were urging the Federal Government to make their announcement at an early date so we could finalize our payments and for any further clarification of why there was a delay, we would have to contact the Federal counterparts. We do not have the answer for that — why the delay was. . .

**MR. ADAM:** I certainly hope that the same thing won't be repeated that happened last year because as I say, there was a lot of problems created by this two month delay in getting these payments out.

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

**MR. URUSKI:** Thank you Mr. Chairman. I would like to ask the Minister whether there has been any change in the numbers of persons or contract holders in that program; whether any people have dropped out for one reason or the other, and if there are changes, could the Minister put them on the record for us.

**MR. DOWNEY:** Mr. Chairman, there has been a reduction in the number of contract holders in the past three years. Would the member like to know the numbers?

**MR. URUSKI:** Please.

**MR. DOWNEY:** The first year there were 5,730 contracts. It went up the second year to 6,036 and the third year it came back down to 4,393.

**MR. URUSKI:** The third year is this year that has just ended.

**MR. DOWNEY:** That is correct.

**MR. URUSKI:** Have you had any inquiries from people over the last year, people who did not take advantage of the program, whether or not there was an opportunity to get into the program at all, since the Federal program was instituted?

**MR. DOWNEY:** Mr. Chairman, I believe the member is referring to have there been requests to the department to enter into the program in this current year?

**MR. URUSKI:** It is quite possible that there have been some requirements. I would have to check on that to make sure but it is quite possible that there have been, but not to the knowledge of the deputy.

**MR. ADAM:** Mr. Chairman, through you to the Minister. The substantial drop from 6,336 to 4,393, would this indicate that there are some that opted to go into the Federal plan rather than. . . do you have those figures? You don't, you wouldn't have those figures.

**MR. DOWNEY:** Mr. Chairman, I don't have the exact number of people that opted out of the provincial plan to go to the federal plan — I do not have those figures. It is possible to obtain those figures.

**MR. ADAM:** If you would be able to provide those figures for us I think they will be of use to us. Are there any who have dropped out of production, who have gone out of livestock production and therefore are either in breach of the five year agreement or . . . would you explain that to us.

**MR. DOWNEY:** Mr. Chairman, it is my understanding that due to failing health or ill health or certain reasons that people could opt out of it and I do believe there were some of those individuals.

**MR. ADAM:** Would it be possible to obtain those figures as well?

**MR. DOWNEY:** Mr. Chairman, I would think probably those figures could be made available. I have been informed also, Mr. Chairman, that I believe there were approximately 1,460-odd opted out for the federal plan.

**MR. ADAM:** I presume by that that there would be approximately 550 who have gone out of business, in addition to those who have gone into the federal plan.

**MR. DOWNEY:** Mr. Chairman, I think from the figures it's approximately 200 I would think.

**MR. ADAM:** Approximately 200. Thank you.

**MR. CHAIRMAN:** 1.(b)—pass; 1.(c) Planning and Management—Salaries \$462,900—the Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I note that there is very scant reference to the question of where we are heading with respect to another rural development agreement with the Government of Canada. I would hope that the Minister would be able to elaborate somewhat at greater length so that we would know what is actually taking place with respect to a successor to the existing ARDA package.

**MR. DOWNEY:** Mr. Chairman, we at this time have had several meetings, ongoing meetings with the federal people and after our meetings held this winter with the federal minister and the other Ministers of the provinces, we have assembled, or are attempting to put forward some of our priorities and those certainly will fall in the areas of increased water services, soil development, drainage and areas that relate to improved production methods in the province.

Mr. Chairman, I would just like to clarify that at this time it is completely in the negotiable stage and we are in discussions. There is certainly no finalization of any programs at this time.

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

**MR. USKIW:** Mr. Chairman, I wonder if the Minister would care to comment on the willingness in the current thrust of the Government of Canada as expressed by the Minister of Agriculture for Canada with respect to a new rural development Agreement having to do with three objectives that I notice mentioned in a speech given by the Minister of Canada. One, of course, is to emphasize increased production efficiency; the second is to maximize the contribution of agriculture to the Canadian economy and the third objective is to help low-income farm families to make a better living in agriculture, having to do with special efforts — in particular with that group that is at the lower end of the income scale but who are still in the agricultural community.

Can the Minister indicate to me whether he is in agreement with those objectives or what part of those objectives he would not subscribe to?

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** Mr. Chairman, I think in general terms that we have to certainly be concerned about the efficiency of farm people. I think that we do have very efficient farm people in the Province of Manitoba. I think we certainly have to be concerned about it. I think that as far as the people who have difficulty — the lower income scale of people in farming — that we will work with them as a department, as we will work with all the farmers within the farming sector, to certainly help them all accomplish a higher productivity and a better income for themselves.

I would also like to say that I feel that it is an important one of my announcements that I made in my opening remarks that the Manitoba Agricultural Credit Corporation will have a program that I would hope would also support the lower income younger-type farmers desirous of farming.

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

**MR. USKIW:** Yes, have there been any recent discussions, either at the ministerial level or at the officials level, with Government of Canada officials with respect to that particular agreement, and what policy position has Manitoba put forward if there has been such a conference or meeting?

**MR. DOWNEY:** Mr. Chairman, I think probably the member is referring to the Farm Diversification Program which ends at the end of December of this year. It is not the intent of our department to carry on with that program in its present form, or to request that type of an exact program in that form.

**MR. USKIW:** The meeting I am referring to has to do with the agricultural development strategy meeting, which I understand was held very recently, and it did involve officials from all governments in Canada, provincial and federal. And that is the point that I am getting at. What is Manitoba's position with respect to an agricultural strategy at that particular conference?

**MR. DOWNEY:** Yes, Mr. Chairman, we have worked on an agricultural strategy paper for the province and we will be using parts of it and adopting it as I am satisfied that it is the final paper that I am satisfied with.

**MR. USKIW:** Assuming that the Government of Canada introduces a package in which the Minister for Manitoba doesn't entirely agree with but would like to participate in parts of that package, what is the policy of the Manitoba Government and this Minister with respect to forsaking federal funds simply because they weren't able to arrive at some mutual agreement on programming? Is it the policy to just not accept federal funding if there is no complete consensus or are we going to go along if there is sort of a national consensus on programming?

**MR. DOWNEY:** Mr. Chairman, as we have indicated earlier, we are in discussions with certain programs. As I have indicated, the federal people have indicated to us that we will certainly be not too far out of line in the areas of thinking on the types of programs that we would like to implement. I think there is a fair amount of flexibility and certainly a desire of the Federal Government, as well as our province, to work together to put the amounts of money and the programs together that will be meaningful to the majority of the farm people of Manitoba.

**MR. USKIW:** Well then, Mr. Chairman, I wonder if the Minister would clarify for us whether or not if a federal package contains a special provision for the lower income groups in agriculture, whether Manitoba will be opting out of that particular portion or are we going to go along with it?

**MR. DOWNEY:** Mr. Chairman, it's far too soon for me to make that decision until I would certainly have a chance to look at the package and the proposal to decide whether we would participate or not.

**MR. USKIW:** Mr. Minister, I now have to ask the Minister to tell us in some way what sort of policy and philosophy that the government has adopted with respect to agriculture and rural development,

because in an attempt to get answers from this Minister in the House I was told — we were told in the opposition — to wait for the Estimates review and that all will be told. And now we are in a position where the Minister is still not in a position to tell us just what direction we are going to take and what we might expect with respect to a whole host of policy issues, in particular the successor to the ARDA package, and programs of a policy nature that we have had ongoing for several years in this province.

Under the heading Planning and Management I would assume that the Minister would be in a position to give us some indication as to his philosophy to programming, to what objectives he is setting for the department for the foreseeable future. Surely we can get some indication as to where we are going.

**MR. DOWNEY:** Yes, Mr. Chairman, I think I could indicate quite plainly the direction that I would think the department and the government would like to go. I emphasized in the opening remarks that we would certainly like to emphasize the production in agriculture. We can certainly see that increased production in certain types of livestock certainly, as I mentioned earlier, that we would certainly be working on an infrastructure type of agreement that would increase the water services, the water resource, along with good soil management and drainage programs.

I certainly can indicate that we will work towards a diversification and specialization in crops — forage crops, oil seeds, corn, and all types of crops that can be grown in the Province of Manitoba — as well as the diversification and specialization in livestock, all classes of livestock, and the horticultural crops.

I could also indicate that there will be a major thrust in marketing — not only provincially and federally but on export markets. And we will also be putting emphasis on research and in the area of information to the rural people.

**MR. USKIW:** Well, Mr. Chairman, I would like to further pursue that policy area and try to find out from the Minister just what his objectives are with respect to the number of farm operations he would like to level off at, in terms of total farm numbers in Manitoba, and whatever target date he has in mind, of what size and what he intends to do with the vast numbers of farm people that are still out there that are still on a very modest or low income and whether he has any intent to program for that particular element in rural society.

**MR. DOWNEY:** Mr. Chairman, I think in all fairness to the member opposite that he is assuming, or almost could be, we could say that he is looking at the 1979-80 Budget. We are in a transition period of changeover from government. We have some of the programs which, I'm sure, were good programs, some of the ones we will be phasing out. I can assure him that our government will work towards an increased number of farm people, increased productivity, increased incomes, increased opportunities, and I think that it would only be to enter into an agreement with the Federal Government until we are certainly sure of the numbers of dollars that it is going to take to implement such programs as maybe a land clearing program and expansion of a forage crop program, and certainly we are in a transition period and these are the areas we will be emphasizing when we are discussing future plans.

Pardon me, Mr. Chairman, I'll interrupt here. It would be very difficult as a Minister for me to determine what size the farms should be in Manitoba, and certainly it is up to the individual farm people who are involved in the farming operations to move as freely as possible and certainly go ahead and be their own drive or whatever they have. The personal initiative will determine the operations that they are going to be operating.

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

**MR. USKIW:** Could the Minister then tell me whether he subscribes to the often stated philosophy and principle of some of his colleagues; that is, that what we are going to see is a fairly complete withdrawal on the part of government from a number of program areas based on the theory, belief, philosophy, dogma — whatever you want to call it — that we're going to allow the private sector per se to find its own way and hopefully that will bring us the kind of social economic structure that we would want to see. Is that really what the Minister is saying?

**MR. DOWNEY:** Yes, Mr. Chairman, that is the type of operations that I can see, that they'll be privately owned farms, and the farm people will be encouraged to own their own operations and produce for the market that we hope is there. Not only in Manitoba, we will work towards providing the environment for people in other countries, in other provinces to buy the products in Manitoba.

We hope to create the environment where the individuals or the organizations in the area of marketing can certainly seek out and fill these markets which will be there, or hopefully will be there.

**MR. USKIW:** Well, Mr. Chairman, the philosophy of the department, as most members are aware of over the last several years, had to do with not only the farm people themselves but with respect to a major role for agriculture, the Department of Agriculture, to play in the rural communities as a whole, having to do with programs for towns, villages. Opportunities for employment, etc. were largely handled by departmental staff who happened to be a very good vehicle being able to deliver well — having a good extension and delivery system. Is it the Minister's intent that we not any further utilize

that existing system to continue the improvement of the total community as opposed to just the farm people alone?

**MR. DOWNEY:** Yes, Mr. Chairman, I would just like to speak briefly on the system as it has been in the past, and I'm sure that if I could take a few minutes and speak on that we could refer to a program such as the Rural Water Services — the part of the program that the Department of Agriculture supplied the product to the farm people. I'm sure that the supply handling end of it was one that did not certainly support the local hardwares or the local people who were installing the plumbing, the plumbing installations, to farm people, but, in fact, alienated those types of people who were certainly seeking out their incomes within a farm community. And I think that in retaining the rural water technicians it will be supportive staff to the farm people in helping to plan and organize their water systems on their farms, and work with them as resource people, not as suppliers of a product, that we can see all of rural Manitoba grow and expand — not only the farms but the towns.

And I'd also like to mention, Mr. Chairman, that with the agricultural representatives being resource people for all of the farm people in the province and able to certainly work in the rural towns with the other parts of the agricultural industry, not being directed to a few numbers of people within the communities, that we will see, in fact, with the redirection of the Department of Agriculture certainly would be a lot more supportive of not only the farms but of all the rural towns in the province.

**MR. USKIW:** Well, Mr. Chairman, I'm rather amused by that response because what the Minister is indicating here is that we are going to remove ourselves from an area which provided for cheaper purchasing of water services materials in order to allow greater numbers of farm people to improve their lifestyle, somewhat comparable to the lifestyle that we enjoy in the city here, knowing full well that the statistics on the number of farms without sewer and water services left certainly much to be desired.

Now, I'm sure we have improved those statistics very dramatically in the last several years but the job isn't complete, Mr. Chairman. I would suggest to the Minister that perhaps his move is warranted but certainly premature until we are satisfied statistically that the bulk of our farm people have already installed these facilities and are merely on the basis of having to maintain them. Until we arrive at that time, I would suggest that it's a wrong policy decision, Mr. Chairman, that surely there must be a desire on the part of government to try to bring up those sectors of the economy that are falling behind, trying to improve the lifestyle of those people who are falling behind, through one program or another. That, after all, has to be at least part of the role of government.

I know, that in talking to a number of local plumbers, local suppliers with respect to plumbing supplies, I was told in no uncertain terms over the years that they thought that was a very good program because up to 1968 or 1969, 60 percent of Manitoba farms did not have sewer and water services. So therefore they were really not in a position of having to service them in any event since they were in such economic straits that they were unable to afford them and that at least with this program, the local merchants and the local plumbers were in a position to put in some of their services and keep the maintenance program going once the facilities were built and established.

In fact, I recall a very good discussion with a plumber in Minnedosa who said to me that if it wasn't for that program that he would have had to lay his six or seven staff off every winter and that that program really kept him going on a year-round basis. He didn't mind at all that we were providing bulk purchasing opportunities for farmers in an effort to get more farms established with water and sewage services.

So I suggest to the Minister that his move is somewhat premature, that at least we should know statistically, and perhaps he can tell me that we have reached that point statistically speaking, that most farms in Manitoba have already well-established water and sewage facilities as well as farmyard facilities for their livestock and poultry enterprises.

If that is so, perhaps maybe we could yield a point, but I don't believe we are there yet, Mr. Chairman.

**MR. DOWNEY:** Mr. Chairman, I think it would only be fair to respond that, as the member suggests, there were a certain number of people probably satisfied with the program, and as I have stated earlier, one of the areas that I have emphasized for an on-going agreement would in fact certainly be the need for upgrading infrastructure for the farm people to accomplish their goals. I think it would also be fair to say that I am retaining a part of the program that I feel is important and supportive to the people that want to acquire or work towards improving their facilities, in the areas which I have stated, of course, the supportive staff of the rural water technicians. Also, we intend for this year to continue on with the Rural Water Services Grants, that the individuals who want to upgrade their systems are able to obtain the grant that is available on the Federal-Provincial agreement. I think that it would be a little premature at this time to say that because we are closing down the rural water services supply depot that we would be causing a hardship to individuals who were in fact obtaining the service of rural water technicians and also the grant which we plan to carry on with.

I think that it is time that we adopted the philosophy that we need the people in the rural towns to continually service the farm people in the province; that they work as a team; that they aren't really making probably unfair profits in the rural parts of the province. They are able to go out and hire people and certainly install this equipment that they are able to provide. I think that at least a thing that could have been done was the same opportunity be made available to the town people to



purchase through that same service. I would think that we are not in fact causing anyone any hardship by not staying in the supply of material. If we had stayed in it, Mr. Chairman, we would in fact cause hardships in the relationship between the rural service people and the people that they were servicing.

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

**MR. USKIW:** Mr. Chairman, I am rather amused by the position of the Minister because we have come now a complete circle. We have a complete contradiction. I heard him say a moment ago that his philosophy for the department was that we are going to back away from a lot of departmental and government involvement and allow the private sector to find its own way. And now I see, Mr. Chairman, a true insult to the people of Manitoba in what he has just said. What he has just said is that we are going to remove from the water services program a component that reduces the cost to the farmer, but he is going to retain the grants so that the farmer is now in a position where he is going to be forced to buy at a higher price against which the Minister is going to give grants, which means that the grants are going for naught.

It means, Mr. Chairman, that this Minister is saying to us that really he is not prepared to let the private sector find its own way, that he is going to subsidize the people who are supplying water services materials to farmers who want to install sewer and water services. It is a direct transfer of cash, Mr. Chairman, from the people of Manitoba to the people who are now going to be asked to supply these materials which were supplied to date on a bulk purchasing basis at very huge savings to the farmers of this province. It's another give-away program of this government who favours a socialism for the rich philosophy, but not for the masses, Mr. Chairman. It is a complete contradiction of the stated philosophy of the Premier, of the stated philosophy of this Minister when he said only moments ago that he is going to rely on the private sector to look after itself. Now he is telling us, Mr. Chairman, that we are going to spend millions of dollars in grants that will find their way into the pockets of private entrepreneurs and not to the farmers whom they are supposed to be aimed at.

I think, Mr. Chairman, that is a disaster and I think the wisest thing that could happen with this program is if we are not continuing with the option for the farmer to buy through a central facility, then the grants should be withdrawn as well because the withdrawal of the one doesn't make sense of keeping the other. The two should either be together or they should go out. It is going to cost people money and it's going to filter into the hands of a very few entrepreneurs.

**MR. CHAIRMAN:** May I remind the honourable members that under Resolution 15, Appropriation 8, we can deal with the technical facets of this debate that is taking place right now. We are getting very technical. May I suggest that the item we are dealing with is Planning and Management. If you want to have it both ways, that's fine with me but I think that the Water Services, the technical services of it, is well spelled out in the other resolution.

**MR. USKIW:** Mr. Chairman, I beg to differ. We are not dealing with pumps and piping. We are dealing with policy, the policy of this government to subsidize private people in the supplying of materials to farm people which to this point in time was supplied by the Department of Agriculture at a very reasonable cost. That is what we are talking about. We are talking about policy.

I would like to remind you, Sir, that the Minister introduced this particular example under this particular heading, so I don't believe that it is at all out of order. I think it tells us what the policy of the government is; what their philosophy is. And it is to take away money from the masses and filter it back into the hands of very few people. That is what the Minister just told us, Mr. Chairman.

**MR. CHAIRMAN:** I am just reminding the honourable members that there are two sections under which this matter can be dealt and I hope you will keep your technical questions to Appropriation No. 8. The Minister of Agriculture.

**MR. DOWNEY:** Mr. Chairman, yes, I would just like to comment briefly for the correction. The numbers of dollars in the grants at this time will not be millions of dollars. I would also like to inform the honourable member opposite that in fact the grants that will be available to the farm people will be certainly used to support their efforts to upgrade the water services, the water systems that he has so certainly said are urgent and needed. I just want to reassure him that the particular proposal that will be coming forward to close the rural water services operation will allow the private enterprise people, anyone is free to go ahead and supply those same farm people on a volume purchase basis. No one is restricting individuals from buying on a volume purchase basis and, in fact, servicing that same market at that same kind of price. I think we are very fair to all the rural part of the province when we allow the individuals to go ahead and get into bulk purchasing, as did government. Government, being able to certainly purchase a large volume, caused hardships to the people in business in rural towns. I think that if he wanted to carry his philosophy further, and certainly it is not my philosophy, that the Department of Agriculture could have certainly gotten into the supply of all services of all goods to the farmers in the communities. It is certainly not my intention to see that type of farm community which we were certainly headed for under the last administration.

**MR. USKIW:** Mr. Chairman, can I take it from the Minister's remarks then, that the department is getting out of all areas of bulk purchasing of any commodity for any client group that we have been

servicing in the last several years? Is that what the Minister is saying?

**MR. DOWNEY:** Mr. Chairman, I did not say that.

**MR. USKIW:** Well, Mr. Chairman, then perhaps this is the time for the Minister to enunciate just what his policy is because he is not telling us what he is intending to do. He is telling us piecemeal that he is getting out of aspects of one program. We have three programs in these Estimates having to do with bulk purchasing of product which is resold to the farm community at a very reasonable price, at a saving to the farmers of Manitoba.

What other areas, then, are we withdrawing from? What is the policy of the government with respect to med service drug purchases which are also purchased in a bulk . . .

**MR. CHAIRMAN:** That is not under this item.

**MR. USKIW:** Mr. Chairman, I beg to differ. We are dealing with policy.

**MR. CHAIRMAN:** Policy — may I bring the honourable member to order — policy comes under the Minister's salary. If we want to get technical, policy, in my opinion, comes under the Minister's Salary. Carry on.

**MR. USKIW:** Mr. Chairman, my understanding and recollection, as long as I have been here and it is now my twelfth — it's probably my fourteenth session — Planning and Management is where you deal with policy of the department and of the government. Planning and Management. I am asking the Minister what are his plans for the Department of Agriculture with respect to bulk purchasing of — and he has already indicated where he is going on water services — I want to know where he is going on the other bulk purchase items, namely veterinary drugs, namely pesticides which we have been very much involved in. Are we scrapping the whole bulk purchasing program that the department has carried out now for several years?

**MR. CHAIRMAN:** Does the Honourable Member for Rock Lake have a point of order?

**MR. EINARSON:** On a point of order, Mr. Chairman, I am following the Estimates here. We are dealing with Planning and Management and then there are certain headings that follow this. Now, I don't want to see honourable gentlemen opposite stifled from debating the various issues, but are we going to get into a duplication here, Mr. Chairman, on these various subjects? When the Member for Lac du Bonnet talks about the policy and the planning and management of all the various aspects of the Department of Agriculture, we can get into . . . —(Interjection)— Well, all right, Mr. Chairman, we can deal with these various items when they arise in the Estimates. Manitoba Water Services Board, the very discussion that has been going on the last half hour could be dealt with under 10 in the same manner and it would be in order. But I think, Mr. Chairman, your point is well taken. I think that we could certainly much better utilize our time in dealing with the Estimates as they come in their order when we talk about Planning and Management.

**MR. CHAIRMAN:** The Honourable Member for St. George, on a point of order?

**MR. URUSKI:** Mr. Chairman, on the point of order, the Honourable Member from Rock Lake, had he been here for the opening of the debate, he would have heard his Minister of Agriculture give, in the questioning that ensued, the policy direction of his government, and they talked about federal . . . , they talked about programs that he considered as priorities, and he gave the . . . leading up to it, including water services, including soil development, including crop production, including drainage as priorities in his overall planning and management of the Department of Agriculture. The members on this side have not talked about the specifics of the program; we are talking about the overall policy direction of this government, and he has started indicating what areas of priorities he has and what areas that he wishes to move in on, and that is what the debate has all been about — not on the specifics of the program. He has talked about new federal agreements and I have gone through the Estimates here, Mr. Chairman, and I fail to see any funds, for example, put in to new federal agreements — all there is are existing programs, so where will we talk about the funds of a new federal agreement that he is anticipating to sign when there are no areas that I could see. . .

**A MEMBER:** Minister's salary — number one.

**MR. URUSKI:** But we are talking about the priorities and the planning of the department.

**MR. CHAIRMAN:** The Honourable Member for Lac du Bonnet on a Point of Order?

**MR. USKIW:** Yes, Mr. Chairman, on the same point of order. I want to suggest to the Member for Rock Lake that in all the years that we were presenting Estimates that the item Planning and Management allowed a tremendous amount of scope for debate and that is as it should be, because

we are dealing with the plan of the department for its various programs and for any changes or alterations of those programs or for any new programs that are in the offing. So when we are talking about planning, we are talking about what is our intent for the future for agriculture in Manitoba. The Minister has given us only one little gem changes that he is proposing, and you know, I to date as to the don't accept the philosophy or the posture of the government, who indicate to us in the House that we cannot answer questions because you will have your opportunity in Estimates, and then when we get to Estimates, to dodge the question again. We want to know the direction of the government — the Minister gave us a very scant three-page introduction which doesn't tell us very much; it's very general, and the only place we can find out from this Minister, is under Planning and Management. Otherwise we will be three-quarters way down the Estimates and we will realize that we can't really discuss things that we want to discuss.

So I suggest, Mr. Chairman, that it is in order, it has been discussed in the past and I would like to know what are the intentions of this Minister, what are his planners advising him with respect to the existing programs, new programs. This is the area where planning comes in — I would like to know what the plan is for Agriculture.

**MR. CHAIRMAN:** Let me remind the honourable members again — I am the Chairman of your Committee and you can talk here till next July if you want. It's my job to try and get these Estimates through and may I remind you that under General Administration, Provides planning and management of the department. Now we haven't got to that item yet — that's the one that I suggested when we started the Committee, the wide ranging speeches you could cover under that one. I have a very difficult time because there is Planning and Management under (c) and we're down on the next one — Management and Operations. Now you guide me, I'm your Chairman and I will do my best — where do you want to deal with these matters — under which item?

**MR. USKIW:** Mr. Chairman, I believe, Sir, that you are interpreting that section wrongly. The General Administration and the description below, simply covers all of the items in that appropriation from 1.(a) to (f), and therefore, Planning and Management is just one of the items described under General Administration.

**MR. CHAIRMAN:** Carry on, the Honourable Minister .

**MR. DOWNEY:** Yes, Mr. Chairman, I think just to clarify the area of policy and programs as I have stated earlier, we certainly are working on future programs that will more or less not cause any real hardships to the farm people, that we will be able to dovetail some of the programs, the parts that we feel are important, certainly we will carry on with from the last administration. We are working on new programs that will certainly take agriculture in the direction that our government feel that it should go and that's certainly to increase the productivity and the opportunities for all the farm and rural people and certainly in that particular area, we do not intend to do away with programs that will cause hardships and I think it has been explained prior to this.

Reference was made to one of the bulk purchasing programs in the veterinary drugs. I think we have to certainly look at veterinary drugs a little more as a type of a product that is a very — how should I term it? The drug business is one that is certainly somewhat different from the water supply equipment, that they are certainly under controls and could be opened up to a larger sector of the rural people to purchase through a government agency. And it is also in the area of being looked at. I am sure that we do not want to cause any hardships on the people in the purchase of any products. However, I do not feel if we did open it up to rural people and the suppliers, because of the nature of the product that we might be able to continue on with that particular supply program.

**MR. USKIW:** Mr. Chairman, I can't find, in my mind, any difference between bulk purchasing pipes and motors, etc., and veterinary drugs. There are whole hosts of drug companies in the market that are ready to supply our veterinarians with any amount of product that they would wish; they may prefer to deal with them individually, either through the clinic program or through the veterinarian, and quite frankly many of them are probably, some of them may be upset that they have to tender for the total bulk purchase, because it ends up that only one or two may get the successful bid. Therefore, the same argument that the Minister suggests to us is valid with respect to water services component parts is also valid with respect to veterinary drugs, and there is no difference there whatever. I would like to find out from him, in his own mind, where the distinction is and likewise with respect to pesticides — whether we are going to go back to some sort of a grant system in the support of farmers trying to eradicate insects, etc.

**MR. CHAIRMAN:** May I suggest to the honourable member that we deal with the veterinary one under Resolution No. 12, appropriation 5(c), Veterinary Services Branch, if it be in order.

**MR. USKIW:** Well, Mr. Chairman, I don't want to pursue it at length, but I do want to find some consistency here. I find that we're skating all over the place with respect to policy. Can the Minister tell us that we're getting out of all of these things, or only part of the bulk purchasing things that we are in? Is it only the water services or is it going to be all of them? All I want is a yes or no, or whatever.

**MR. DOWNEY:** Mr. Chairman, I think probably as the member opposite has indicated that he

cannot differentiate between pluing supplies and veterinary medicine, I think the majority of farm people can certainly tell the difference—(Interjection)— Number one, the rural water services supply material is something that is a fixture that goes into the farmyard and into the area that will have to possibly be serviced in the future, that we will need rural people, townspeople, to service those particular items that have been installed, and the veterinary drugs are certainly in an area of a more strict type of control. There are certain things as harmful drugs, they are used on the livestock or in the area of farm production and certainly that is the end use of those products. There is room for some control by government as in all areas of drugs — there is government regulations in that particular thing. And if the supply of those particular items which are the end result is used, or they are used, and there is no continual service required to follow up, following that particular use of those drugs, then in fact, we are not causing a great deal of problems to our rural communities.

**MR. USKIW:** Mr. Chairman, this is truly amusing. The fact is that prior to several years ago, drugs were supplied to veterinarians in this Province without any involvement of the Crown. None whatever. Every veterinarian was able to purchase his own drug requirements; whatever veterinary clinics were in existence were able to purchase directly from manufacturers or distributors. Wherein lies that distinction that the Minister is trying to suggest to me that there is? I really can't see the distinction.

**MR. DOWNEY:** Yes, I think, Mr. Chairman, to clarify, anyone would realize that the control of a drug is far more of a concern of a responsible government than certainly the supplying of material that could be serviced by the private sector. I think there is no problem in anyone's mind, certainly in the distinction of the supplying of the two products.

**MR. USKIW:** Mr. Chairman, the Minister obviously is not aware of what is going on. He is not controlling the distribution of drugs. In his program he is merely providing an opportunity for district boards to buy from a bulk purchasing agency which they wish to buy from only because they can save money. They are not compelled by law to buy from the bulk purchasing system — they can buy directly from any distributor of veterinary drugs, so there is no element of governmental control involved here whatever. There is a philosophical decision here, which indicates it is better for the public to do something collectively for an objective, stated objective, and that everyone benefits from that particular collective action. That's all there is here. Now in the one instance, the Minister is saying, "I am not prepared to function that way." In the other instance he is saying he wants to operate through the instrument of government, through a collective arrangement which provides for a better means of doing business, and I would hope that at least he would admit, Mr. Chairman, that it makes good sense, that we are indeed financially ahead. It reduces the cost to the farm community and it provides a revenue to the vet services district or the clinic and the veterinarian. That's really the objective of that program — is to provide revenue to help finance the total veterinary services package. If you took this element out, the Minister should admit right here that he would be pressured by the veterinary district boards for more grant money to offset that reduction of revenue arrived at through the saving on the price of drugs. That is the nub of it, and, Mr. Chairman, the Minister should be honest about that particular aspect. That is what he is trying to protect because he does not want to issue larger grant dollars to each district to offset a shortfall in revenue.

It is a philosophy of contradiction, Mr. Chairman, that he has enunciated here today. In one program it doesn't work for him; in another one it's fine, only because he has a different rationale and a different motivation.

**MR. CHAIRMAN:** The Honourable Member for St. Vital.

**MR. WALDING:** Mr. Chairman, we are on 1.(c)(1), I take it?

**MR. CHAIRMAN:** Right.

**MR. WALDING:** Can the Minister confirm that this appropriation covers his office staff salaries and the Deputy Minister's salary and his staff's salary?

**MR. DOWNEY:** Mr. Chairman, the question was, does that cover all the salaries of the general administration?

**MR. WALDING:** The Minister's office, Deputy Minister's office.

**MR. DOWNEY:** That is correct, Mr. Chairman.

**MR. WALDING:** Mr. Chairman, I would like then to follow up on some remarks that the Minister of Finance made a few days ago when he was introducing the Interim Supply Bill, and he was talking there about preliminary estimates and final estimates. I would like to ask the Minister if he can tell me what the total amount of his departmental estimates were that were presented to the previous Minister?

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** Mr. Chairman, to the knowledge of the committee here, there were none presented to the previous Minister.

**MR. WALDING:** Can then the Minister tell me what the total amount was of his departmental Estimates that were presented to him, the Minister.

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** The total dollars presented to myself, \$36.5 million.

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

**MR. WALDING:** Just going back one page to seven where the Summary of Programs is, it says, Acquisition and Construction of Physical Assets \$375,000.00. I assume that is the amount of capital to be expended in that department for the coming year, is that correct?

**MR. DOWNEY:** Mr. Chairman, the \$375,000 will be Rural Water Services Grants, the \$375,000.00.

**MR. WALDING:** That is a capital amount is it?

**MR. DOWNEY:** That is right.

**MR. WALDING:** Are there any other amounts of capital within the budget? .

**MR. DOWNEY:** No, there aren't, Mr. Chairman.

**MR. WALDING:** Then just for clarification, Mr. Chairman, the \$36.5 which was the figure that was originally given to the Minister, would not have included that \$375,000.00.

**MR. DOWNEY:** Mr. Chairman, no, it would not have.

**MR. WALDING:** I assume, Mr. Chairman, the Minister being in receipt of these Estimates then reviewed them with his staff, can he tell me either how much was cut off or alternatively what was the figure of the departmental Estimates when they were submitted to Cabinet?

**MR. DOWNEY:** Mr. Chairman, I believe what was submitted to Cabinet is not to be— is not certainly available to this committee but the Estimates that we are reviewing as they are presented here.

**MR. WALDING:** I wonder just aloud, Mr. Chairman, why it is the Minister of Industry and Commerce can give us those figures and the Minister of Agriculture can not? If there is no answer to the question, maybe I'll have to ask the First Minister, why he gives a certain privilege to one Minister and not to another. But I will tell you further, Mr. Chairman, that I asked these similar questions to the Minister of Industry and Commerce yesterday or the day before and he gave me the figure that his staff presented to him and he told me then how much it was that he trimmed off of that and what the figure was that he took to Cabinet, so that we could see at each stage what sort of a job the Minister did and what sort of a job the Cabinet did in arriving at the final figure of just over \$10 million. Now, I would like to ask the Minister again, perhaps he would like to reconsider that and tell us what sort of a job he did of slashing his budget before he submitted it to the Cabinet.

**MR. CHAIRMAN:** On a point of order, the Honourable Member for Rhineland.

**MR. BROWN:** Those figures are entirely irrelevant, they have absolutely nothing to do with the amount of money that we are discussing over here.

**MR. WALDING:** Mr. Chairman, on that same point of order, I believe as a member of the committee I am entitled to ask whatever questions I wish.

**MR. CHAIRMAN:** Order please. We spoke before the committee started that we want to make sure the record of the province is accurate, before you members speak please let me see your hand so that I put into the recording system who the member is who is speaking, and the records are straight. So, again, bear with me please. I was listening to the Honourable Member for Rhineland and then there were two interruptions. The Honourable Member for Rhineland, are you finished, sir?

**MR. BROWN:** Yes, I was saying that those figures are not relevant to what we are discussing over here at all. Figures that are presented to Cabinet have no bearing on what we are discussing over here. These are the figures that have been approved and these are the figures that we are discussing.

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

**MR. URUSKI:** Mr. Chairman, on that point of order, the Honourable Member for Rhineland, if he would have listened to his own Minister of Finance over the last several months, the Minister of Finance has continuously indicated that the deficit position of this province would have been several hundreds of millions of dollars worse than it was had their administration not cut the Estimates of the departments; that those Estimates that were originally prepared would have gone in, and that would have been the spending Estimates of this government. The Member from St. Vital, is trying to get from the Minister of Agriculture what kind of programs or Estimates were being brought forward for his consideration to find out what kind of Estimates were originally prepared for his consideration.

**MR. CHAIRMAN:** The Honourable Member for St. Vital. On the same point of order.

**MR. WALDING:** Strictly to the point of order, Mr. Chairman, I believe that I have the right as a Member of the Committee to ask questions on anything having to do with the Estimates. Whether the Minister wishes to answer them is another point, but I believe that I have the right to ask.

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** Mr. Chairman, I believe we are here to review the Estimates as being presented to this committee and these will certainly be the figures that we will be discussing.

**MR. WALDING:** I will ask the Minister again, Mr. Chairman, can he indicate to this committee, how much he, as the Minister responsible for Agriculture, cut from those original preliminary Estimates?'

**MR. CHAIRMAN:** May I just briefly remind the committee that we are dealing on an item \$462,900, only that item.

**A MEMBER:** We are dealing with the planning functions.

**MR. CHAIRMAN:** We are dealing with the item \$462,900, no more, no less. On a point of order, the Honourable Member for Lac Du Bonnet.

**MR. USKIW:** Mr. Chairman, that particular item happens to represent the whole decision-making process of this department. Everything that flows — following that item — flows from consideration of that group which we are now financing totalling \$462,900.00.

**MR. CHAIRMAN:** May I remind the Honourable Member for Lac Du Bonnet that that item can be dealt with when we get back to the salary, which is wide-ranging, but my understanding of the committee is that the item before us is a matter of planning and management salaries, \$462,900, no more, no less, just that item, and if the members be kind enough to stay within those guidelines I shall be most grateful as your Chairman.

**MR. USKIW:** Mr. Chairman, I have no problem staying within those guidelines because what we are talking about here, is the planning function of the department. It's a policy function and as long as we have the opportunity to discuss policy, overall policy, then I think we should allow latitude. When we get into specific items then I don't want to see us reverting back into general policy discussions, but this is the area in which policy is formulated, in this particular branch of the department, it is the closest arm to the Minister. This area is where all the signals come from in terms of the departmental programs all the way down the line.

**MR. CHAIRMAN:** The Honourable Member for Rock Lake on the same point of order.

**MR. EINARSON:** Mr. Chairman, I raised the point of order quite some time ago and I think that while I don't want to suggest that any debate be stifling or questions being asked of the Minister in dealing with the estimates, if you want to talk about policy and management of the whole Department of Agriculture, you can do that on the Minister's salary, but as I understand the dealing of the Estimates, you deal with them item by item and they have been talking — they have been covering the waterfront — every time they talk about veterinary services, they talk about water supply services and I think they can be dealt with in each item as we come to them. So, I say, Mr. Chairman, that if they want to talk about policy and total management of the Department of Agriculture, that can be done on the Minister's salary. I suggest again, as I said earlier, that the Member for Lac Du Bonnet is wrong in his comments.

**MR. CHAIRMAN:** I can see the point of the Honourable Member for Lac Du Bonnet and I can see the point of the Honourable Member for St. Vital because the planning of the Estimates no doubt come under this item, but I have a tough time when we are trying to narrow it into that one item there, \$462,000, or asking for wider ranging figures, but, the Honourable Member for St. Vital.

**MR. WALDING:** To the same point of order, Mr. Chairman, I would remind you and other members that this amount also includes the salary of the Deputy Minister and it is rather along those lines that I am asking these questions. The Minister is asking us to approve a certain amount within this

appropriation for his Deputy's salary and I believe that my questions flow from that.

**MR. CHAIRMAN:** Proceed. The Honourable Member for St. Vital.

**MR. WALDING:** Thank you, Mr. Chairman. I will then ask the Minister a third time if he can tell me by what amount he, as the Minister responsible, cut this departmental preliminary Estimate of \$36.5 million, before he took it to Cabinet?

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** Mr. Chairman, as I stated earlier, we are here to certainly review the Estimates as presented in the Estimates review to come to this committee, and that is certainly the intent of mine, to review the Estimates that have been printed in the Estimates book and that is what we will be discussing, not what I have presented anywhere else or have done with them prior to this committee meeting.

**MR. WALDING:** Mr. Chairman, then I ask the Minister, what was the total amount of his departmental Estimates that he took to Cabinet with a recommendation for approval?

**MR. DOWNEY:** Mr. Chairman, I believe that is the same question that I was asked the last three times and I will answer it the same way, we are here to review the Estimates that have been presented to this committee.

**MR. WALDING:** Thank you. Mr. Chairman, I would like to ask the Minister, when he received those preliminary Estimates, whether he cut out any amount from them before taking them to Cabinet?

**MR. DOWNEY:** Mr. Chairman, I would like to indicate one more time that we are here to discuss the figures that have been presented to this committee and that is what I intend to discuss with the committee.

**MR. WALDING:** Thank you, Mr. Chairman, then I would like the record to show quite clearly that this Minister is refusing to give that information to the committee; information which his colleague the Minister of Industry and Commerce gave to the committee. I will let the members of the Legislature and the members of the public draw their own conclusions from that.

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

**MR. URUSKI:** Thank you, Mr. Speaker, I would like to ask the Minister of Agriculture if he could indicate whether there were any new initiatives presented to him in the Estimates that he looked at in terms of departmental submissions and what the cost of those new initiatives might be?

**MR. CHAIRMAN:** The Minister of Agriculture.

**MR. DOWNEY:** I would like to have a little more explanation of what type of initiatives the honourable member is referring to.

**MR. URUSKI:** I stand to be corrected, but I believe the Minister of Agriculture indicated to the Member for St. Vital, and maybe he has changed his mind since then, that the Estimates that were presented to him were totalling some \$36.5 million which did not include the capital Estimates if I understand some of the discussion that went on, although he did not indicate or admit that that was the entire amount of Estimates or whether there were other initiatives presented to him. I would like to know whether there was any other thoughts of either an administrative program nature that would have been thrown out for his consideration when he came — when he was considering the Estimates — some changes, some deletions or some new initiatives?

**MR. DOWNEY:** Mr. Chairman, I think it would only be fair to say that in the overall review of Estimates there were certain parts of programs, certain programs, that were looked at and because of some of the termination of agreements with the Federal Provincial agreement, that there were some changes made following the overall review.

**MR. URUSKI:** There were no specifically new initiatives that were thrown out in terms of programs?

**MR. DOWNEY:** Mr. Chairman, in answer to that particular question, certainly after the restraint program there was certainly very little change taking place after the initial review.

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

**MR. URUSKI:** Mr. Chairman, I fully realize that, in fact the Estimates are evident that there was very

little change, it is evident that there were cutbacks in many areas. What I wanted to know is, were there specific programs that were at least thrown out for the Minister's consideration, and if there is any price tag to those considerations?

I don't expect him to accept all or any of the proposals that were made and it is evident that there wasn't any acceptance of them, but I am sure that there must have been discussions in terms of new ideas and new approaches in terms of a new government coming into office, as to the direction that they wanted to take as the Minister was talking about policy directions and new approaches to rural development, production and the like. There must have been areas that he could have considered in terms of areas of expenditure that he might want to undertake.

**MR. DOWNEY:** I think, Mr. Chairman, that in looking at the programs that we are certainly still looking at, and continue to look at, and because of the transition, as I have said, with the new agreements that we are certainly working on, the development of new programs, that to certainly point out a specific area of a new program would be very difficult to identify, which might have been proposed. I think that we would have to say that the programs that are being presented here, the estimates of these programs are a continuation of parts of the other programs that we are planning to continue on with and parts of programs that will be ending as of the end of December.

**MR. URUSKI:** Mr. Chairman, I will leave that area now and ask the Minister if he can indicate to me, in the specific area of 1.(c) or in that whole item, whether there were any vacant positions within that area that the Minister did not fill or were not committed in terms of the staff requirements, or for the whole department for that matter, or do you want to go by division by division?

How many committed staff man years for the whole department?

**MR. DOWNEY:** In that particular area, Mr. Chairman, it was reduced by three positions.

**MR. URUSKI:** Mr. Chairman, just on a point of clarification, does the Minister prefer to give it section by section or would he prefer as we come to those sections on the staff because I'll ask that question throughout the entire department, or would he prefer to give it right through every area of the department in terms of the vacant staff man years that were committed and vacant positions that were not committed?

**MR. DOWNEY:** I'll leave that to him.

**MR. URUSKI:** As we come to every item you can give it, or would you rather give it for the whole department?

**MR. DOWNEY:** Mr. Chairman, there have been some additions and certainly there have been some deletions, and we could give it as a total of deletions and the additions at the same time.

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

**MR. ADAM:** Thank you, Mr. Chairman, we are trying to, as Members of the Opposition, responsible Opposition, we are trying to determine the future policy of this new government that was elected last Fall. They received a mandate, and we would like to try and determine just what the overall future policy direction is of this government, and that is the reason why we have been asking questions — the former Minister of Agriculture, the Member for Lac du Bonnet, is asking what is the future of such — I am still on the matter of policy now — what is the future of such programs that have been mentioned by the Member for Lac du Bonnet. I find that the Minister is being inconsistent in that he says that yes, we can go ahead with this one program in the matter of bulk purchasing, but on the other hand we think that we are not prepared to go ahead with this program. This is where I find that there is some inconsistency.

I would have hoped that the Minister would be consistent, either to give us some indication of whether the future policy is to eventually do away with all this kind of assistance to farmers in the matter of bulk purchasing. I would hope that he would still reconsider and give us that answer.

I am surprised that the Minister will not give us the amounts, the total figures that the department has presented to him as a Minister with their package, and what was finally ended up with, and what the Minister took to Cabinet. I think this is very important, because there has been a drastic cutback of over \$6 million in the total agriculture budget, which in my opinion is a disaster at this particular time — in this particular era and time and period that the agriculture industry is going through.

So that is why we would like to know, did the Minister go in ... asking for \$6 million more and it was cutback? Did the department ask for \$20 million more and it was cutback? If you are going to have an open government, and I have heard this in the last seven years, you know we were being accused of being a closed government.

At least the Minister of Industry and Commerce has been much more open, in my opinion, because he has indicated in the House that, yes, we asked for \$600,000 more and we didn't get it, and he was honest. I would ask this Minister to be the same — to be honest and tell us just what happened in this respect as I do suspect that what the Minister went to Cabinet with is not what he came out. And I



think that is an honest question and it deserves an honest answer.

**MR. CHAIRMAN:** Very briefly, to the Honourable Member for Ste. Rose, I don't think this committee can deal with matters that are before Cabinet, I think that is not the rights of this committee. I think that matters that are on the Cabinet table are for Cabinet, and when the final decision has been reached by that Cabinet then we have a chance to. But I don't think until it's been dealt with at Cabinet level the committee has the right to ask for those papers. It is a very difficult and tough subject for us to deal with at committee, to ask the government or the Ministers to bring Cabinet papers before this committee.

**MR. ADAM:** Mr. Chairman, we're not asking for any papers, we are not asking for any confidential documents. All we're asking is did the Minister ask for more than he got, and how much? Now, I'm not asking for any classified documents that would embarrass anyone, we're just asking, did he ask for more and he didn't get it?

Now, before I leave, I want to ask the Minister in the request for new positions, could the Minister advise how many new positions the department is committed for? We have been given a paper here for the Estimates, and could the Minister give us an idea how many positions the department is committed for?

**MR. DOWNEY:** Mr. Chairman, I think I would like to answer the other question first — on the total department. The permanent staff years were cut from 791 to 786. Of the contract — I will give you the contract figures, of the 69 contracts they were reduced to 41.

**A MEMBER:** From 69 to 41?

**MR. DOWNEY:** That's right. And of the 28 that were reduced 12 were converted to term and the others were eliminated contracts.

**MR. URUSKI:** Then there would have been 16 contracts eliminated.

**MR. DOWNEY:** Mr. Chairman, and of the 41 remaining contracts, 16 of those contracts will be phased out by December 31st, 1978.

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

**MR. ADAM:** I just wanted to ask one more question. The Minister hasn't answered my question yet, the question I asked. I wanted the amount of contract employees that have been laid off, would the Minister be able to indicate what programs were they delivering? The people who have been laid off.

**MR. DOWNEY:** We'll deal with them section by section.

**MR. ADAM:** Okay.

**MR. DOWNEY:** Yes, we could deal with those, Mr. Chairman, as we go through each section of the Estimates.

**MR. ADAM:** Mr. Chairman, can the Minister give me an answer to my first question on how many new positions are we committed for, is the department committed for?

**MR. DOWNEY:** Mr. Chairman, to arrived at the 786 there have been 21 cut and 16 new jobs added.

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

**MR. URUSKI:** Just to clarify that, the 21 positions or the difference between 786 and 791 — you indicated there were 21 positions cut. Am I to assume that the positions were not filled, they were positions that were committed but not filled, but were there actual persons that were removed from those positions. I would like that clarification.

**MR. DOWNEY:** I believe the information is, of the 21 cuts, there were 3 that had people working in those positions.

**MR. URUSKI:** Were they all from one branch, or would they be from throughout the entire system?

**MR. DOWNEY:** Mr. Chairman, they were throughout the department.

**MR. URUSKI:** Could the Minister, when we come to the branch of that department where the actual person left, could he indicate at that time in what area, when we come to it, where that position is?

Were there any other employees working for the Department of Agriculture, is this the entire staff — were there any term or casual employees employed by the department?

**MR. DOWNEY:** I'm sorry, I was discussing it with the department people. Would you repeat that please?

**MR. DOWNEY:** They are located within the numbers, Mr. Chairman.

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

**MR. USKIW:** Mr. Chairman, I wonder if the Minister would indicate to us, how many staff reductions were affected in total, by contract, or otherwise, as they relate to discontinuance of program, not as they relate to any efficiency measures, but rather as they relate to discontinuance of program.

**MR. DOWNEY:** It would possibly be easier to do that as we go through program by program, if that would be all right with the honourable member.

**MR. USKIW:** Well, that is fine providing the Minister is prepared to give us those figures as we go along through the Estimates.

**MR. DOWNEY:** Yes, Mr. Chairman, on (1)(c), where we are at, we have one position deleted from the Farm Lands Protection Board.

**MR. USKIW:** Well, Mr. Chairman, that's really not a deletion, it's a transfer to another area, isn't it? That is not a reduction of staff per se, that person has been transferred out to another agency.

**MR. DOWNEY:** Mr. Chairman, it is a deletion.

**MR. USKIW:** For that item, but it is not a deletion from the system.

**MR. DOWNEY:** Mr. Chairman, yes it is a deletion from the system.

**MR. USKIW:** Would the Minister tell us then how many staff are involved in Planning and Management as a whole?

**MR. DOWNEY:** Mr. Chairman, twenty-four.

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

**MR. ADAM:** Mr. Chairman, on (c)(1) Salaries, I wonder if the Minister could advise if there are any vacancies in this appropriation, positions that are as yet unfilled?

**MR. DOWNEY:** Mr. Chairman, yes there are some vacancies that are not filled.

**MR. ADAM:** How many are there?

**MR. DOWNEY:** Mr. Chairman, we have three — Associate Deputy Minister, Special Assistant to the Minister, and Deputy Minister.

**MR. ADAM:** That are unfilled at this particular time?

**MR. DOWNEY:** That is correct, Mr. Chairman.

**MR. ADAM:** Would the Minister give us the amount, is he able to give us the amount of this appropriation that is yet — you're asking for some \$462,900 and and there is no staff to pay this money to. How much money are you asking for here and when will these positions be filled? You know, you are asking us for money here and we don't know where it is going to be spent.

**MR. DOWNEY:** Mr. Chairman, I believe that we have a certain number of people already employed in that Department, these are vacant jobs that are not filled that are in the proposed Estimates, and the individuals that are working in that Department have to be paid and this is the appropriation we are asking for.

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

**MR. USKIW:** Could the Minister tell us again which three positions are not filled and is it the intention to fill them?

**MR. DOWNEY:** The positions, do you want . . .

**MR. USKIW:** That are not now filled in the Planning and Management function, but which are intended to be filled.

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**MR. DOWNEY:** Mr. Chairman, I think I can reidentify those jobs — the Associate Deputy Minister, Special Assistant to the Minister, and the Deputy Minister, and it would be unfair to say at this time . . . We would probably plan to fill these positions but it will be in due course.

**MR. USKIW:** I am wondering whether in light of the need for government restraint, whether it is necessary to fill the Associate Deputy Minister's position since it hasn't been filled for about two years now and we functioned rather well. I am wondering whether it is necessary to fill that position and whether that isn't the area of restraint where huge salaries are involved as opposed to some of the other areas that the government has embarked upon?

**MR. DOWNEY:** That, Mr. Chairman, will be dealt with — it is being asked for as a position. I cannot say at this time whether it will be filled or whether it won't be.

Mr. Chairman, I would say that we have put the positions in there because of the intent of filling them, however the Associate Deputy Minister probably wouldn't be filled.

**MR. USKIW:** That's better. I'll agree with you there.

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

**MR. ADAM:** The appropriation for these salaries are in this figure here, is that correct?

**MR. DOWNEY:** Mr. Chairman, all but the Associate Deputy Minister's salary.

**MR. ADAM:** I see. Are we allowed to ask the salary of the Executive Assistant? Are we allowed to ask that? I believe it was answered in the House.

**MR. DOWNEY:** Yes, Mr. Chairman, it is in the \$16,400 bracket.

**MR. CHAIRMAN:** The Honourable Member from Pembina.

**MR. ORCHARD:** Pass.

**MR. CHAIRMAN:** Pass. Item 1.(c)—pass; 1.(c)(1)—pass; 1.(c)(2) Other Expenditures — \$85,500—pass; (c)(3) Special and Emergency Programs — \$16,800—pass — The Honourable Member from St. George.

**MR. URUSKI:** Mr. Chairman, I would like the Minister to indicate what these funds are intended for, what the provision. . .

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

**MR. CHAIRMAN:** Gentlemen, before the Minister answers, the hour of 5:30 having arrived, I am leaving the Chair to return at 8:00 o'clock this evening. If you wish to leave your documents on the table the room will be locked until we reconvene.