

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 16 May, 1985.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions

READING AND RECEIVING PETITIONS

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

CLERK'S ASSISTANT, G. Mackintosh: The Petition of Les Révérends Pères Oblats, Praying for the passing of An Act to amend An Act to incorporate Les Révérends Pères Oblats in the Province of Manitoba; Loi modifiant l'Acte pour incorporer Les Révérends Pères Oblats dans la Province de Manitoba.

MR. SPEAKER: The Honourable Member for Niakwa.

CLERK'S ASSISTANT: The petition for the Niakwa Country Club praying for the passing of an Act to amend an Act to incorporate "Niakwa Country Club."

MR. SPEAKER: Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, I would like to table the Annual Report of the Surface Rights Board of Manitoba for the year ending, April 30th, 1984.

I would also like to table the Oil Activity Review for 1984 put out by the Petroleum Branch of the Department of Energy and Mines.

MR. SPEAKER: The Honourable Minister of Co-operative Development.

HON. J. COWAN: Thank you, Mr. Speaker.

I'd like to table several reports: The Annual Report for Manitoba Co-operative Development, 1983-84; Supplementary Information for Legislative Reviews of the 1985-86 Estimates for the Department of Co-operative Development; the Annual Report of the Co-operative Loans and Loans Guarantee Board for 1983-84; and the Annual Report of the Co-operative Promotion Board for 1983-84.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I have a statement.

Mr. Speaker, I would like to make a statement to the House on the results of the 1985 Western Premiers' Conference which concluded yesterday in Grande-Prairie, Alberta.

Before the conference got under way, I expressed the hope that Premier Lougheed, Premier Bennett, Premier Devine and I would be able to set out some strong joint positions on at least a few key priorities for western provinces. My hopes were certainly met; in fact, they were exceeded.

The conference was one of the most positive and constructive that I have attended in recent years.

The other Premiers and I agreed on eight important consensus statements, eight communiques which I have just tabled. The communiques spell out our agreements on:

- (1) Investment, (2) Tax Reform, (3) Interest Rates, (4) Agriculture, (5) Transportation, (6) Federal-Provincial Co-operation, (7) Canada-United States Trade, (8) Multilateral trade negotiations.

With the Federal Budget due a week from today, I hope that these communiques will be read very carefully by the Prime Minister and by his colleagues in Ottawa. They contain some very clear messages about western concerns, about western priorities, and they contain some very good, sound advice, I think, on what the Federal Budget should and should not contain.

There isn't time now for me to read through the communiques in their entirety. However, I would like to draw members' attention to several sections which I think are of important significance to our province.

On the future of Churchill, the transportation communique reads:

"The Western Premiers reiterated their longstanding support for the Port of Churchill and the federal-provincial plan to modernize and to expand the port. They emphasized the need for the Federal Government and for its agencies to do all that is possible to ensure full realization of Churchill's potential."

I plan to have copies of that communique, Mr. Speaker, sent to the Federal Ministers who attended the recent meeting on Churchill in Ottawa, and particularly to the Minister that acts for the Canadian Wheat Board.

On agriculture, our joint communique calls on the Federal Government to take action in four priority areas: interest rates, red meat stabilization, beef import quota levels, and grain stabilization programs.

I'll read just one excerpt:

"The four Western leaders called on the Federal Government to reconsider its recent decision to allow substantial increases in the volume of subsidized beef imports authorized for 1985, noting that the decision has a negative impact on the Canadian economy and on Canadian jobs. In the view of the Premiers, Canada should not be intimidated by irrational subsidy programs that put surplus European economic community beef on the Canadian market."

On interest rates, the communique stated:

"The Western Premiers reiterated their grave concern that high interest rates are inflicting serious damage on the Canadian economy.

Western farmers and small businesses are particularly affected.

"Interest rates must be reduced as much as possible to preserve existing jobs, encourage equity investment to bolster consumer confidence. They called on the Federal Government and the Bank of Canada to place a higher priority on lowering interest rates."

On investment, our communique included these words:

"The Western Premiers reaffirmed their governments' commitment to co-operate more closely in ensuring that the competition for investment among provinces and regions does not result in the misallocation and waste of scarce resources. While recognizing the need to meet intense international competition for investment, the Premiers agreed that it is essential to prevent unproductive 'bidding wars' between provinces for major capital investments."

On federal cutbacks, and federal attempts to offload responsibilities onto the provinces, Mr. Speaker, our communique reads as follows:

"Recognizing that Federal and Provincial Governments serve the same taxpayers, the Western Premiers stressed that the Federal Government must not shift its deficit to the provinces through reductions in federal transfer of payments."

Now, Mr. Speaker - and I wish the Leader of the Opposition was present - on the so-called Johnson Report on post-secondary education financing to which the Leader of the Opposition referred to at some length in the House a few weeks ago, our communique states as follows:

"They reaffirmed that established program financing is a block-funding arrangement for both health and post-secondary education. They rejected any attempt, as in the Johnson Report recently released by the Federal Government, to focus on artificially defined federal contributions to post-secondary education. The increasing provincial cost of maintaining health services makes this arbitrary separation even less tenable."

I will also table a copy of a letter which my colleague, the Minister of Finance, recently sent to his federal counterpart on the subject. I want to advise my colleague that every one of the other Premiers complimented us on this letter. I believe their Finance Ministers may now be planning to write similar letters.

Finally, on tax reform, which has also been the subject of debate in this House recently, our communique stated:

"The Western Premiers discussed Canada's tax system and concluded that a process of reform should begin at once. They agreed that tax reform should have as its objective a lower tax burden.

"The Premiers believe that a number of broad principles should guide tax reform. The tax reform should be fair, rational, simple and supportive of regional strengths. The Premiers noted the merits of tax measures introduced in recent Provincial Budgets across Western Canada.

"The Premiers called for an early commitment by the Government of Canada to the process of tax reform. They directed their Finance Ministers to begin discussions with their provincial and federal counterparts to develop proposals for consideration at the Annual Conference of First Ministers which is to take place in November of this year.

Our government has been calling for tax reform now for years, and most recently, Mr. Speaker, at the First Ministers' Conference which took place in February of this year in Regina.

I am also tabling our statement on tax reform from Grande Prairie and now we have a joint statement by all four Western Premiers calling for tax reform. This is a major breakthrough. Again I hope the Federal Government is listening.

The agenda topic which has received the greatest media attention was trade. As I said earlier, Premier Lougheed, Premier Bennett, Premier Devine and I issued two communiques on that subject - one on Canada-U.S. trade and one on multilateral trade negotiations.

We also released a detailed joint position paper on Western Canadian trade objectives for the next decade. The trade statements achieved Manitoba's two main goals; they signal our view that freer trade is desirable for Canada, for Manitoba, and at the same time, they emphasize the great care that must be taken to ensure that workers are protected and that fully adequate adjustment arrangements are put in place.

The western position on the Canada-U.S. common market concept spells out these concerns clearly, and stresses that all four Western provinces share them.

Mr. Speaker, the conference was very positive for Manitoba and for Western Canada. And, I firmly believe that the Federal Government listens to and acts on the constructive, joint suggestions the other Premiers and I have made over the past two days, the conference will have been of extreme positive benefit for the rest of Canada as well.

Thank you.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Well, Mr. Speaker, on behalf of my leader, I am pleased to respond to the statement by the Premier and welcome him back to Manitoba. We're glad to hear that he was in good company and obviously enjoyed that meeting.

Certainly, Mr. Speaker, as I just touch on some of the issues raised in a statement by the Premier, there's no question about this party's continuing support for the industrial and agricultural activity related to the Port of Churchill that that major port can continue to play its role in the development of this province.

Mr. Speaker, I would have perhaps been more impressed when the Premiers also indicated the concern about the importation of meats into Canada and the difficulties that presents to the Canadian agriculture, if he would have dispatched his Minister of Agriculture to South Dakota, to Nebraska, who have closed their borders to Manitoba hogs - and our hogs are right now creating a considerable problem for our producers - the price is falling, facilities are loading up in St. Boniface and he might have considered doing something about that. But at least the Premier acknowledged that it was a problem and I'm glad to see that that's acknowledged in his statement.

Mr. Speaker, the other day in this House the Premier was reluctantly forced to acknowledge that there is a world of reality out there, market reality I believe as he called it, and I find it interesting and, again concur

with him, that this Premier and the New Democratic Party that he leads, has come to their senses and acknowledged that interest rates are of concern with respect to unemployment. — (Interjection) — with respect to unemployment. What have we heard from them all the time and from their national party? The unemployment problems have to be tackled first and then worry about interest rates and deficit financing and spending, Mr. Speaker.

I am pleased to know that in the good company of Premier Devine and Premier Lougheed and Premier Bennett, this Premier has come to face reality, that it's interest rates that have to be brought under control and then the job opportunities flow from that, Mr. Speaker. Unfortunately, while he was in Regina agreeing to that the credit rating of this province dropped by another point, and that cost will be reflected on all government operations in higher cost, and in higher demands of money, and unfortunately negating this attempt to reduce interest rates.

Mr. Speaker, tax reform is an agenda that's on everybody's mind, and we look forward to what the Budget will contain with respect to tax reforms and what, indeed, the Federal Government will do in this regard. We are hopeful, as the Premier is, that some meaningful tax reforms will take place.

Mr. Speaker, it goes without passing though, I can't let the matter pass, that right in this Chamber we have seen some very peculiar demonstrations of how this government deals with the matter of tax reforms in the kind of individual contracts they are prepared to enter into with the so-called rich in order for them to avoid tax payments with special tax-free disturbance allowances, etc.

On this subject matter, of course, I think that is of greatest interest that the Premier brings on his return to Manitoba his new-found position on free trade, Mr. Speaker. I will have more to say about that later on.

Thank you, Mr. Speaker.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Prior to Oral Questions, may I direct the attention of honourable members to the gallery where there are 25 students of Grade 11 standing from the Sisler High School under the direction of Mr. Brown. This school is in the constituency of the Honourable Member for Inkster.

There are 32 students of Grade 8 standing from the Major Pratt School under the direction of Mr. Fowler. This school is in the constituency of the Honourable Member for Roblin-Russell.

There are 23 students of Grade 9 standing from the John Pritchard School under the direction of Mr. Neufeld. This school is in the constituency of the Honourable Member for River East.

There are 21 students of Grade 5 standing from the Landmark School under the direction of Mr. Penner. This school is in the constituency of the Honourable Minister of Municipal Affairs.

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

ORAL QUESTIONS

Free trade with USA - threatening of jobs

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, exactly three months to the day from today, our Premier was quoted in a release, as reported in the Winnipeg Free Press of February 16, 1985, while the Premier attended the Economic Conference in Regina, and I quote: "Premier Howard Pawley warned yesterday that a move to free trade with the United States could throw thousands of Manitobans out of work."

My simple question to the Premier is: what has happened in the last three months to change the Premier's mind?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: That's why, Mr. Speaker, I ensured that there was provision, that I agree that an automatic movement toward free trade, as an article of faith, would be blind. But, Mr. Speaker, what is covered for in regard to the common market type of proposal is that existing jobs would have to be provided for, ensured.

The communique, if the honourable member has the communique in front of him, reads: "Where jobs are threatened by such new trading arrangements, provisions for an extensive period of adjustment will have to be made for particular sectors and for those adversely affected.

So, Mr. Speaker, the adjustment periods would have to be established; they would have to be renewed if, indeed, Manitoba was to give support to any such free trade arrangement. There are advantages that far offset the disadvantages; but, at the same time, Mr. Speaker, their demands require sensitivity as far as Manitoba would be concerned, insofar as those industries that would be affected negatively, and transitional agreements which would have to be 7 - 10 years potential for renewal, if necessary, in order to cover off those areas where there would be some likelihood of layoffs.

MR. H. ENNS: Mr. Speaker, the Premier having agreed to the concept of free trade, will he now agree that to be fair to our employers, to our businesses, that it becomes extremely important that we allow them to compete in a competitive situation, and that such unique impositions as a payroll tax that sets Manitoba apart from virtually all other jurisdictions in Canada and the United States only make it that much more difficult for Manitoba businesses to compete. Would he reconsider the imposition of that particular tax in his concept of free trade?

HON. H. PAWLEY: Mr. Speaker, I want to remind the Honourable Member for Lakeside that Manitoba does not have health insurance premiums as do so many other provinces in this country. I would like to remind the honourable member, Mr. Speaker, that Manitoba has a lower sales tax than exists in many other parts of this country. I would also like to point out to the

honourable member that the total investment projections for 1985 for investment in the Province of Manitoba exceeds percentage increase in Manitoba, the increase that is taking place in any other part of this country, and far above the rate of increase projected for Canada as a whole.

So, Mr. Speaker, let me point out to the honourable member that Manitoba is doing very very well by way of total investment increase; we're doing very well by way of comparable tax comparisons with that which exists in other provinces in Canada, Mr. Speaker, and the lowest cost of doing business in pretty well every sector that we can compare with, insofar as other parts of this country.

So, Mr. Speaker, we need not take a doom and gloom attitude that the Honourable Member for Lakeside enjoys undertaking. Mr. Speaker, we can look forward with confidence based upon what Manitoba has achieved, what we're going to achieve in the future by creating investment and jobs for Manitobans in this province.

MR. H. ENNS: Mr. Speaker, the Premier is well aware that the Premier of Saskatchewan can indicate to us that their businesses pay no fuel tax; the Premier of Alberta can indicate their businesses and the people pay no sales tax and no fuel tax. In other words, we can list the litany of advantages or disadvantages in different regions, but we have some unique ones in the Province of Manitoba that are particularly disruptive to trade.

MR. SPEAKER: Order please, order please. Order please. The purpose of oral question period is to ask questions and not to make speeches. If the honourable member has a question would he please pose it?

The Honourable Member for Lakeside.

Government intervention in labour negotiations

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, my question is to the First Minister and I would like to ask the First Minister, does the Minister condone intervention on the part of government in sensitive labour negotiations?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, the government, through the auspices of the Labour Board and through the conciliation officers of the Department of Labour, through other means that are intended to be by way of The Labour Relations Act in the Province of Manitoba has in fact a responsibility, a duty, an obligation to attempt to minimize a lack of harmony in the workplace leading to strikes.

In fact, Mr. Speaker, it's worked out very very well in the Province of Manitoba because in the last 10 years, in fact in the last several years, Manitoba has had just about the best record insofar as work stoppages of any province in Canada outside of Prince Edward Island. So, Mr. Speaker, we have a record there

too, that we can be proud of in the Province of Manitoba in comparison to what is taking place in the rest of this country.

MR. F. JOHNSTON: I might ask the First Minister, does the First Minister agree that the government should take sides on labour negotiations?

HON. H. PAWLEY: Mr. Speaker, the government has a responsibility not to take sides in respect to a labour dispute, but to ensure that the government provides the mechanisms and the personnel and the provisions that presently exist for resolving industrial disputes; that they are brought to bear in a manner that is fair and reasonable to both parties that are together at a collective bargaining table.

MR. F. JOHNSTON: I would ask the First Minister, Mr. Speaker, is the Member for Burrows still regarded as a member of the government caucus?

HON. H. PAWLEY: Mr. Speaker, the Member for Burrows is a member of this Legislature. He undertakes responsibility as a member of the Legislature, as the Member for Burrows. He does not, in his undertakings, represent government policy in all instances. He has a responsibility as a member of the Legislature to represent his constituents in a way that he may indeed, in his judgment, feel to be the best course of action, but that does not represent government policy.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, does the First Minister agree that the Member for Burrows, with NDP letterhead, write to the Tan Jay workers a letter regarding their strike indicating three — (Interjection) — NDP letterhead . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: . . . at which time he says in the last sentence: "You have my full support in whatever measures you feel are necessary," and he has outlined certain things that the workers' rights are, Mr. Speaker. Does the First Minister agree that the Member for Burrows should be sending that out in government envelopes? Secondly, does he agree that the Member for Burrows should be sending out government envelopes which have gone through the postage meter of the International Ladies' Garments Union?

MR. SPEAKER: Order please, order please. The honourable member should not be asking a Minister for his agreement or otherwise, a point which is a matter of opinion. The honourable member should ask questions seeking information.

MR. F. JOHNSTON: Mr. Speaker, then I would ask if the First Minister agrees that the letter from the Member

for Burrows to all Tan Jay workers should go out in government envelopes that have gone through the postage meter of the International Ladies' Garment Workers Union.

MR. SPEAKER: Order please, order please. That is the same question. If the honourable member would wish to rephrase his question to seek information, he should do so.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I'll say this. Does the First Minister allow government envelopes to be used to send out NDP literature, and does he believe that government envelopes should be stamped by the postage meter of the International Ladies' Garment Workers Union?

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. Of the two question, the second one is hypothetical and seeks an opinion.

MR. H. ENNS: Mr. Speaker, on a point of order.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, the question of the use of members' privileges in availing themselves to government supply comes up from time to time. Individual members have been called to answer for the use of stationery and/or postage metering services if they're used for what is deemed to be not appropriate for what they're being used. I think the member's question is quite in order. The member is not asking for anything that hasn't been asked before.

MR. SPEAKER: Order please, order please. Order please. That is not a point of order.

If the honourable member asks for an opinion, as he did, that is not in order. If the honourable member wishes to seek information, that would be in order.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I would ask the Minister of Labour if the Member for Burrows had discussions with him before he sent out letters to all Tan Jay workers while there are negotiations going on with Tan Jay?

HON. H. PAWLEY: Mr. Speaker, I have and I will table this for the Chamber, because it appears the honourable member is misrepresented. He grossly is misrepresented because the honourable member only a few moments ago indicated that government stationery and government envelopes had been utilized.

Mr. Speaker, the Manitoba Legislative Assembly and Burrows NDP Caucus Room stationery - not government stationery - maybe the honourable member is proposing that leaders of individual parties in this House censor and edit letters that are forwarded to constituents and others from caucus offices. Let me tell you, Mr. Speaker, I don't intend to have any part of that.

MR. SPEAKER: Order please.

The Honourable Member for Sturgeon Creek on a point of order.

MR. F. JOHNSTON: On a point of order, Mr. Speaker, I did not indicate government stationery. I indicated government envelopes. Mr. Speaker, I indicated government envelopes.

MR. SPEAKER: Order please. That is not a point of order.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I would ask the Minister of Labour if the Member for Burrows had discussions . . .

HON. H. PAWLEY: Mr. Speaker, on a point of order.

MR. SPEAKER: Order please.

The Honourable First Minister on a point of order.

HON. H. PAWLEY: The honourable member just grossly misrepresented in this House that the Honourable Member for Burrows had sent stationery out in government envelopes, Mr. Speaker. I have tabled a document, a copy of the envelope which indicates it was sent from the Legislative Assembly Caucus Room, not government, Mr. Speaker. The honourable member has grossly misrepresented facts in this Chamber.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. Order please.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I would ask the Minister of Labour if the Member for Burrows had any discussion with him regarding the advisability to send letters to all Tan Jay employees, whether they're in the Member for Burrows' constituency or not - all Tan Jay employees - while there are negotiations going on between the company and the union, which states: "You have my full support in whatever measures you feel are necessary."

HON. H. PAWLEY: Mr. Speaker, I tabled a document only a few moments ago that indicated the envelope was Manitoba Legislative Assembly NDP Caucus. The honourable member grossly misrepresented the facts, Mr. Speaker. I think it's incumbent on the honourable member at least to offer some explanation to this Chamber for his gross misrepresentation of facts.

MR. SPEAKER: Order please.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, on the point of order. The First Minister talks about the . . .

MR. SPEAKER: Order please.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, on the point of order.

MR. SPEAKER: There is no point of order.

MR. F. JOHNSTON: Well, I raise a point of order then, Sir, because the First Minister has made accusations about these envelopes, and I would only say the envelopes are paid for by government.

A MEMBER: So are yours.

MR. SPEAKER: Order please. That is not a point of order.

MR. F. JOHNSTON: And my envelopes I can use in my constituency, not in general mailing.

MR. SPEAKER: Order please, order please.

A MEMBER: Who pays for yours?

MR. F. JOHNSTON: Not on general mailing.

MR. SPEAKER: Order please, order please. Order please. A point of order regards a breach of the Rules or of the normal practices of the House, it should not be used for supplying information or for arguing the facts. If the honourable member has a question, would he please pose it.

The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker.

I do rise on a point of order. I believe this whole line of questioning, which we have experienced over the last 10 minutes, reflects on the rights of an individual private member of this Assembly, and not, Sir, a question related to a request for information from government with respect to government policy.

I believe, Sir, that if the honourable member - this is my point of order - has a question regarding the use of privileges provided to private members of this Assembly, either a member of the government party, as a government backbencher, or as a member of the Opposition Caucus, then that question, Sir, is not appropriately directed to a Minister of the Crown but, Sir, is appropriately directed to the Commission which you chair, which is responsible for ensuring that services and privileges provided to members for the service of their constituents, and communication of information to the people of Manitoba, and other provisions provided directly by the Legislative Assembly Management Commission, and should be directed to that Commission. To make that the subject of questions or debate in this Chamber, Sir, is inappropriate and is an affront to our Rules which provide the questions shall be directed to Ministers in areas for which they have responsibility and not, Sir, reflections on private members.

I also, Sir, reject any assumption that those services provided to private members are provided by the government, Sir. They're provided by this Assembly, through the Legislative Assembly Management Commission, at the expense of the taxpayers of Manitoba; and that Commission, Sir, has independence from the government, has enforced that independence, and I think all members should respect that, Sir.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, on the same point of order. The question of the individual member is well taken, but the point that my honourable colleague, the Member for Sturgeon Creek, is trying to make bears very heavily on how the particular office of that member was used, and also on the material that was used. It was used, as my colleague is going to point out in a moment, in a way that was interrupted as direct intervention in sensitive labour negotiations by a company that has, today, announced its withdrawal from Manitoba of its head offices under the accusation that the union and this government have conspired together to create a hostile labour climate, Mr. Speaker. It's for that reason that the issue is being raised and the colleague from Sturgeon Creek can demonstrate that in a moment, Mr. Speaker; that is the issue.

MR. SPEAKER: The Honourable Government House Leader to the same point.

HON. A. ANSTETT: Yes, Mr. Speaker. The Honourable Opposition House Leader has further compounded the breach of the Rules which I believe is taking place here, Sir. We have a series of questions designed, for whatever purpose and I impute no motives, related to the activities of a private member under his privileges as a member. Now, Sir, the honourable member purports to justify the breach of the Rules on the grounds that there is some sort of conspiracy. Sir, if he is alleging that private members create government policy that, Sir, is another whole ball game. But if he has a concern about the behaviour of a member, or the use of a member's privileges, that should be referred to the Legislative Assembly Management Commission where those privileges are sanctioned and paid for.

MR. SPEAKER: The Honourable Member for Lakeside to the same point.

MR. H. ENNS: Further to the same point, Mr. Speaker, and it is very relative to what we're all concerned about - jobs in the Province of Manitoba - and we have a major employer indicating his withdrawal from Manitoba head offices because he specifically indicates - we note that these letters were mailed in envelopes from the Manitoba Legislative Assembly.

MR. SPEAKER: Order please, order please. Order please. When the honourable member rises on a point of order, I expect him to discuss that point of order, not the merits of the case. If the honourable member has something to say on the point of order, would he please do so.

The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I believe when an action taken by a member of this Legislature is interpreted by any one of our citizens as being a directive of government, or being an intervention of government, and if the wrappings around that message contain such things as government taxpayers-paid envelope material with the Manitoba Legislative Assembly insignia on it then, particularly in a situation like this, whereas the employer points out that many of their employees are perhaps not that sophisticated, they take it to be an

intervention on the part of government. Mr. Speaker, I believe that situation makes the point that we're making in order.

MR. SPEAKER: Order please, order please. Order please.

I remind honourable members that Oral Questions should not connect or have to do with the actions of a private member, but be directed to a member of the government and involve an area which is within the administrative responsibility of that particular Minister. If the honourable member has a question concerning that, would he pose it.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I would ask the member, the Minister of Labour, as I did previously, did the Member from Burrows have any discussion with the Minister of Labour before he sent a letter to all Tan Jay employees while negotiations between the company and the union were proceeding?

MR. SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Mr. Speaker, I've seen a copy of the letter and, as the First Minister has pointed out, it was a letter sent by one of my colleagues, a member of the caucus, on caucus stationery, his stationery, and utilizing his privileges as a member of the Legislature. I have read the letter and I think it's a very responsible letter and I would like to read it into the record. It reads as follows:

"Dear Tan Jay Worker:

"I would like to take this opportunity to wish you success in your negotiations with Tan Jay. Your union has contacted me about the labour law on strikes in Manitoba. Striking is not a preferable way to obtain a fair contract, but sometimes it is the only way. In case you have to resort to strike action, I'd like to remind you of some important provisions of Manitoba laws:

"1. You have a legal right to go on strike.

"2. You cannot be fired for going on a legal strike.

"3. If the company sends your work to other factories where there is a union those workers can refuse to do that work without being fired.

"In Manitoba, we have a proud history of good labour relations and justice for workers. We respect a worker's rights to this kind of fair treatment.

"I wish you the best of luck in getting a contract with Tan Jay. You have my full support in whatever measures you feel are necessary.

"Yours truly,

"Conrad Santos, MLA for Burrows."

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. A. MACKLING: Mr. Speaker, I did not write the letter. I did not advise on the composition of the letter, but I think that was a fair representation of the law of

Manitoba and very instructive to constituents who are workers.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. Order please.
The Honourable Member for Elmwood.

MR. R. DOERN: Will the Attorney-General, concerning the comments of the . . .

MR. SPEAKER: Order please.

The Honourable Member for Burrows on a point of order.

MR. C. SANTOS: Mr. Speaker, I move, on a point of personal privilege.

A MEMBER: Do you have a motion?

MR. C. SANTOS: Yes. I move, seconded by the Member for Inkster, that the Member for Sturgeon Creek . . .

MR. SPEAKER: Order please, order please. I wonder if the honourable member would wish to postpone his motion until the end of Oral Question period so as not to take up the time of the House.

Manitoba - bilingual province

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I'd like to direct a question to the Attorney-General concerning the remarks of the Franco-Manitoban Society president who said that she was flabbergasted at what a push-over the Attorney-General was when it came to the SFM's goal of making Manitoba officially bilingual.

I would like to ask him whether he threw in official bilingualism as a bonus when he capitulated to the SFM's demands for increased services in early 1982?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: The member is asking me to comment on a matter that is before the courts and I'll go no further than I went already namely, and the Premier can answer further, that at a meeting with the Premier and other members of government on January 11, 1982 - at which I was, in fact, not present - the SFM presented a number of proposals dealing with French language services and presented its proposal for the first time on constitutional matters.

MR. R. DOERN: Mr. Speaker, I then ask the Attorney-General or the Premier that when Mrs. Proteau mentioned that official bilingualism was a dream, a dream for some and a nightmare for others, did the government . . .

MR. SPEAKER: Order please, order please.

It has been pointed out that this concerns a matter which is before the courts. I believe the honourable member knows that and perhaps should choose his words with care.

The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I think I am. I think the court case is concerning the payment of fees and I am not interested in that aspect. I'm interested in whether or not, in the negotiations of three years ago, the government instantly capitulated or whether the government had any discussions? And I would simply ask the Attorney-General or the Premier when the suggestion was made in negotiations about official bilingualism, did the government consider any of its negative aspects or did the government take that as an order and simply collapse instantly and proceed to draft legislation?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, not only is this matter before one court, the Court of Queen's Bench in the Province of Manitoba, but also we have not received a decision from the Supreme Court of Canada. This question is highly improper on both counts, Mr. Speaker.

MR. R. DOERN: On the point of order, the Supreme Court has been considering this question, a general question, for 11 months. There is also a court case across the street concerning the payment of fees; there is a discussion in the media; there is discussion in the street. I don't believe that any question of any kind that refers or is concerned with bilingualism is out of order. There are certain questions that are out of order; but I do not believe that this is one of them, Mr. Speaker, and I intend to ask another question if I may.

MR. SPEAKER: I do not believe that was a point of order.

The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I would like to ask the First Minister then. In the bargaining that took place with the SFM in 1982, did the government simply take its marching orders from that organization, or did it consider the history and the feelings and the thinking of some 90 percent of the people of this province?

MR. SPEAKER: Order please. I do believe there should not be questions on a matter which is before two courts of law.

Fall rye and winter wheat - estimated losses

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Speaker.

I have an answer to a question posed to my colleague on the 14th of May by the Member for Arthur concerning crop insurance, Sir, and losses to fall rye and winter wheat. Mr. Speaker, the Crop Insurance Corporation reports that losses of fall rye and winter wheat are estimated at 230,000 acres on rye, which is approximately 10 percent loss due to winterkill. Losses are estimated somewhere in the neighbourhood of \$350,000.00.

This year, Sir, there's been a major increase in the planting of winter wheat, over and above previous years. We estimate about 100,000 acres of winter wheat planted and a loss of about 20 percent of that crop lost.

Another question that was posed as to when winter wheat will be covered through crop insurance, I wish to advise the honourable members that we have a proposal into Ottawa at the present time and hopefully we can reach an agreement in time to have the program available for sale to Manitoba farmers by August 1st of this year. This timing is necessary, of course, because as with fall rye, farmers will have to signify their intention to insure winter wheat prior to August 31st. The honourable member knows and I mentioned earlier, we had only 22,000 acres in '83 and 33,000 acres of winter wheat in '84 and it's mushroomed to 100,000 acres, and we are at the present time as well, collecting information on the two major hazards to winter wheat and that is winterkill and rust and we're doing testing in those areas. Mr. Speaker, as well, I was pleased to hear the Honourable Member for Lakeside now make a deathbed repentance to their position on interest rates today and it was very nice to hear it today, Sir.

Tan Jay President's letter to MLA

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, my question is to the First Minister.

I would ask the First Minister when he received a copy of a letter that was sent to Mr. Conrad Santos, MLA for Burrows, by Mr. M.A. Batte, President of Tan Jay, outlining the concerns they had regarding a letter sent by the Member for Burrows, and what did the First Minister do when he realized Tan Jay had some concerns about the letter? Did he have any discussions with him? And thirdly, Sir, did he ask the Member for Burrows why - according to the letter from Mr. Batte - we also note that at least some of the envelopes carry the postage meter numbers of the International Ladies Garment Workers' Union, does he agree that the Member for Burrows should be working with the Union while negotiations are taking place with Tan Jay?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, again the honourable member seems to be anxious to cast an aspersion upon a member of this House insofar as that member's dealings with constituents and particularly, workers that are lowly paid in this city, workers that are mainly unskilled, that are attempting through the lawful means of collective bargaining to ensure that they obtain a settlement that is reasonable to both employer and to employee.

Mr. Speaker, I would suggest to the honourable member that he permit the employer and the employees to resolve this matter through the collective bargaining process, rather than attempt to obtain headlines, Mr. Speaker, at the expense of the workers, the workers in the plant that are involved.

MR. SPEAKER: Order please.

Tan Jay, discussions with

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, my question is to the Minister of Industry and Technology. Has he had any discussions with Tan Jay since their announcement to move their head office to Ontario?

MR. SPEAKER: The Honourable Minister of Culture.

HON. E. KOSTYRA: Thank you, Mr. Speaker. In terms of the announcement that was made in the newspaper and on the radio this morning, I had no prior knowledge of that announcement from any representatives of the company. I have, in the past, met with the company, as I have with other textile and clothing manufacturers in the province, to discuss ongoing issues regarding the industry in the Province of Manitoba.

The building that Tan Jay is alleged to be moving into was purchased and announced back in June of 1982 as their national sales headquarters for Canada. I regret that the company did not approach the government, however, I have written to the chairman of Tan Jay indicating that I would like to meet with him to discuss his statements. The usual practice, when companies have announced plans with respect to their activities in the Province of Manitoba, is that they have discussed that with the government prior to making any public announcements.

Winnipeg Jets - future uncertain

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

MR. G. MERCIER: Mr. Speaker, my question is to the First Minister, and it's with respect to news reports that the future of the Winnipeg Jets in the City of Winnipeg is uncertain, and I heard the Minister of Sport express concerns on radio broadcasts this morning. Could the Premier indicate to the House whether, indeed, the future of the Winnipeg Jets in the City of Winnipeg is uncertain?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I must acknowledge I had not heard that report, though I just arrived this morning from Alberta as the honourable member knows. I'll be certainly looking into the concern that the honourable member has raised to see if there is any basis for the radio report that he's made reference to.

MR. G. MERCIER: Mr. Speaker, I am pleased that the First Minister will undertake to look into the matter, and advise the House if there is anything that the government could do.

I would like to, Mr. Speaker, provide him with a copy of a bill that was introduced in the House of

Representatives in Congress in the United States, which is called a Sports Relocation Act: ". . . to establish certain limitations relating to the movement of professional sports franchises . . ." and deals on the basis of the principle that, despite the close association with, and support from people in the territories in which they presently play, teams from time to time may be lured to move to new territories without considering any but purely financial reasons.

MR. SPEAKER: Question.

MR. G. MERCIER: I simply ask the First Minister whether he would give that bill some consideration with the Attorney-General and the constitutionality of such a bill, provincially and federally, in order to stop, if necessary, the unnecessary move simply for purely financial reasons of a professional sports franchise in the Province of Manitoba?

HON. H. PAWLEY: Mr. Speaker, I don't know whether the honourable member is recommending this bill to me, but I thank the honourable member for providing me with a copy of this bill. Certainly I want to assure the honourable member that I will peruse same, the clauses and provisions that are contained therein.

Mr. Speaker, I don't know of the reports that the honourable member is referring to. I trust that the reports are not true, particularly after the excellent season that the Jets had. I think the Jets did extremely well this year. Mr. Speaker, I hope that next year the Jets will do as well as the Bombers did during this past season.

MR. SPEAKER: Order please. The time for Oral Questions has expired.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker. Would you please call Bill No. 12 for introduction on Second Reading?

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Speaker, my apologies, I meant Bill No. 14. Bill No. 12 has already been introduced.

SECOND READING

BILL 14 - AN ACT TO AMEND THE COMMUNITY CHILD DAY CARE STANDARDS ACT

HON. M. SMITH presented Bill No. 14, An Act to amend The Community Child Day Care Standards Act; Loi modifiant la loi sur les garderies d'enfants, for Second Reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

HON. M. SMITH: Mr. Speaker, The Community Child Day Care Standards Act was proclaimed in October, 1983. In the 19 months since that time, Manitoba has continued to demonstrate that it provides the best day care program in Canada. Our legislation, and the accompanying regulations, are the most thorough and comprehensive in the country and, therefore, provide for the highest quality care for our young children. Manitoba also provides more day care spaces and funding per capita than any other province.

Therefore, as I table these proposed amendments to The Community Child Day Care Standards Act, I do so with the confidence that these adjustments will further emphasize our support for our young children. The refinements to the legislation also reinforce our belief that positive child care experiences early in life can enhance children's later functioning as adults and contributing members of our society.

Both the Child Day Care Branch of my own department and the day care community agreed that changes were needed to clarify some sections of the act and afford more flexibility in administration. In addition, Crown counsel recommended a number of changes to make the act more effective.

Over the past 19 months, we've found that the definition of the various types of day care facilities in the act required simplification. The detailed definitions will, therefore, be removed from the act and included in revised regulations. Honourable members will see that in Bill 14 a short, simple definition of day care is given, and only two types of day care facilities, day care centres and day care homes, are defined.

The second main reason for introducing these amendments concerns the exemptions to the act. The present exemption of all private schools has caused some confusion. The changes, seen in Section 2 of this bill, will enable regulations to distinguish clearly between pre-school day care and private schools. Under new regulations, a provincially-funded private school will continue to be exempt from the provisions of the act, but a private school that offers a pre-school day care will have to obtain a day care licence for its pre-school services.

It should be stressed, Mr. Speaker, that my department does not intend, through Bill 14, to enter the field of education. The bill gives my department no powers to licence private schools for their school operations. We believe that the bill will prevent an overlapping between the Child Day Care Branch and the normal operations of public and private schools and Manitoba education.

Amendments to Sections 5 and 35 will give the director of Child Day Care the power to enter a day care centre and gather necessary information to evaluate whether day care is being provided. The director and Day Care Branch staff will be able to investigate day care conditions in both licensed facilities and premises believed to be providing day care. The director will, where necessary, be able to apply to the courts for an injunction in extreme situations.

These powers are necessary to ensure the safety and well-being of children in day care and are the normal powers needed for the administration of a statute of this nature.

Several amendments are being proposed for licensing procedures, requirements and appeals. A change to Section 15 will allow an interim licence to be refused in situations that are hazardous and detrimental to children. Thus, a day care centre that has appealed the suspension of its licence will not have an automatic right to an interim licence during the appeal process if it is an unsafe place for children.

An amendment to Section 13 will require a day care centre or home to display its licensing order, as well as its licence for the information of parents.

Under a change to Section 16, there will be more flexibility in issuing provisional licences to day care centres pending . . .

MR. SPEAKER: Order please, order please. I would remind the Honourable Minister that Second Reading is a debate in principle. It has been the practice of the House not to refer to individual sections at this stage. Perhaps the honourable member would like to rephrase her remarks?

The Honourable Minister of Community Services.

HON. M. SMITH: Yes, Mr. Speaker, I apologize for that oversight.

There will be no more flexibility in issuing provisional licences to day care centres pending fulfillment of licensing requirements. The current act does now specify that more than one consecutive provisional licence may be issued to a day care centre or home. Although the act now provides for appointment of a provisional administrator for a day care centre, it does not define that official's powers. Another amendment specifies the administrator's responsibilities and powers.

The bill provides for methods and procedures for hearing qualification appeals from day care staff. The current act is silent on this matter. Honourable members will be glad to know, Mr. Speaker, that the Day Care Staff Qualifications Review Committee, appointed under the Act, was consulted and provided recommendations on a change to cover this point.

Another change will allow new regulations to be drawn up to cover matters to be deleted from the body of the act. Chief among these, Mr. Speaker, are types of day care centres and homes; licensing of private home day care and exempting schools from licensing. The regulations will have the same effect as the sections of the act they will replace, Mr. Speaker, and will clarify but not expand or reduce the areas in which the act is affected.

This bill will strengthen the licensing procedures required under The Community Child Day Care Standards Act. The primary objective of the amendments presented today is to allow the Child Day Care Office to intervene promptly should a situation develop in which there is a reasonable concern that children may be endangered. These changes once more confirm our government's commitment to high-quality day care.

However, Mr. Speaker, I must stress that government alone can never guarantee quality day care and this requires the active participation of parents, providers and the community in partnership with government. For this reason, Mr. Speaker, our government will

continue to look towards parent involvement and ownership of day cares through parent-run co-ops, as the primary method of providing day care and of ensuring high-quality day care as the support for children and families.

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

MR. A. DRIEDGER: Mr. Speaker, I move, seconded by the Member for La Verendrye, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for River East in the Chair for the Department of Environment and Workplace Safety and Health, and the Honourable Member for Burrows in the Chair for the Department of Co-operative Development.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - CO-OPERATIVE DEVELOPMENT

MR. CHAIRMAN, C. Santos: Committee, come to order. This section of the Committee of Supply shall be dealing with the Estimates of the Department of Co-operative Development. As is customary, we shall begin with the opening statement from the Minister responsible for this department.

Mr. Minister.

HON. J. COWAN: Thank you.

It is indeed an honour to be able to begin this year's legislative review of the activities of the Department of Co-operative Development by indicating that the past year has been a banner year for the co-operative movement in Manitoba.

The co-operative sector is indeed on the move. More new co-operatives were incorporated in the past fiscal year than has been the case since records were kept by the central registry of the department.

The co-operative model is being used to provide services to hundreds of thousands of Manitobans in hundreds of communities from Churchill to Emerson; South Indian Lake to Great Falls. Co-ops offer many new opportunities for Manitobans.

For example, most of us take running water for granted but for many Manitobans living in smaller communities a community water system has been

nothing more than a far distant dream. At least that was the case until just a couple of years ago.

Residents of a number of communities in Manitoba now have running water because they have banded together to form utility co-ops in their own community. They no longer have to rely upon inconvenient and costly trucking of water because their new co-operative is providing that service to them.

Utility co-ops are a classic example of how co-operatives can bring new services to Manitobans while improving our provincial infrastructure at the same time. Hundreds of families are now enjoying the benefits of running water because of the new utility co-ops that have been established in the past year. But these new co-ops are only a part of the historic expansion of the co-operative movement that Manitoba witnessed last year.

Co-ops can also play an important role in the economic life of ordinary Manitobans. Thousands of Manitobans are directly employed by co-operative enterprises in full-time permanent jobs but co-ops also provide other economic opportunities. Every time a housing co-op is built construction workers are employed and managers and maintenance workers have another opportunity for permanent work once the construction is completed.

Jobs are created every time a retail or service co-op opens its doors. Co-ops also enable employment in more indirect ways. More single parents than ever before can go to work in the morning confident that their children are being well taken care of in their own day care co-op.

Just a few weeks ago I had the privilege to participate in the official opening of a new day care co-op in South Indian Lake. There were dozens of proud parents, staff and children present as the official ribbon was cut. Their pride was well placed. They and the entire community had worked long hard hours for a number of months to bring this new service to their community. Their success will not only bring benefits to themselves as members of their co-op but will also serve as an example for other remote communities that might wish to follow their lead. Again, this extension of the co-op model to communities like South Indian Lake is a historic occasion for Manitoba and may well be unique in all of Canada.

We all recognize and appreciate the fact that Manitobans deserve decent affordable housing. Housing co-operatives provide those accommodations to thousands of Manitobans and their families. More than that, they allow their members to play a prominent role in designing and controlling their own housing conditions through a democratic and co-operative structure.

Last year, the Provincial Government initiated a new \$3.5 million Co-operative Homestart Program as a way to encourage and support the development of more co-op housing throughout the province. Manitobans recognize the value of that co-op housing.

Last year, co-operative housing starts in Manitoba on a per capita basis were the best in the entire country. As a matter of fact I will have the pleasure of attending a cheque presentation ceremony in a few hours over the supper hour as we officially mark the start of the construction of the first continuing housing co-operative in the downtown area of Winnipeg.

Once again, Manitobans should be proud of the leadership role they are playing in developing and promoting the use of co-operatives to serve the needs of people and to provide services to communities.

I have listed but a few specific activities of the co-operative movement in Manitoba over the past year. There are many more.

Last year, there were 31 newly incorporated co-operatives. They are providing economic and social benefits along with hundreds of other existing co-operatives. They are serving the agricultural community through processing and marketing co-ops. They are serving ordinary Manitobans through retail, community service and communication. They are indeed a strong third force in our economy and they are growing at unprecedented rates.

The financial co-operatives, the credit unions and caisses populaires, have also enjoyed a strengthened system during the past year. In 1984, the credit union system enjoyed one of its most successful years ever with a growth of \$170 million in assets, and net earnings of \$8 million. In many instances these co-operative institutions outperformed the general banking industry in many areas of their activities.

It is also important to remember that credit unions and caisses populaires employ approximately 1,200 Manitobans and hold over \$2 billion in assets in this province. Add to those figures the assets of other co-operatives equalling \$625 million and the 3,800 Manitobans who are directly employed by nearly 300 co-ops, and the major significance of the co-op movement in the Manitoba economy soon becomes apparent.

Nearly a quarter-of-a-million Manitobans are showing their faith and commitment to the co-op movement through their membership in their own individual co-operatives. At the same time nearly 288,000 members of credit unions and caisses populaires are adding to the strength of the entire system through their participation in nearly 130 credit unions and caisses.

That is not to say that the co-operative sector is immune to the same financial forces as are all services and economic organizations. We are all aware that significant problems have existed in the past. We are also all aware that in specific instances and under certain circumstances there are still outstanding situations that require further work and resolution.

This government, and the department are committed to assisting those co-ops, credit unions and caisses populaires work through difficult circumstances so that their members' interests are addressed and protected. Of course, departmental staff continue to provide their normal regulatory and developmental services to co-ops and co-operators across the province.

In addition to that ongoing work there are several new major thrusts that are either recently under way or anticipated in the near future that are designed to compliment that renewed growth in the co-operative sector.

Firstly, the government is establishing a northern office of Co-operative Development so that Northerners will have direct access to the services of the department for co-operative related activities. We believe that northern co-operatives have proven viability and records of success. For example, the Gas Bar Co-op in Thompson is serving over 2,000 members by

providing reasonably priced gasoline to its members. The fishing co-ops in Northern Manitoba are among the most successful in the country. They allow fishermen control over their own operations through efficient economic democratically controlled organizations.

Retail co-ops in many northern communities serve an ever-increasing membership. Developmental work is now under way on at least one housing co-operative in the North. The new northern office, which will be located in Thompson and will be opened early this summer, will work with these existing co-ops to consolidate and expand their activities. More importantly, this government believes that there is great potential for new co-ops in the North as hydro construction commences. This new office will serve that need as well. The government is also continuing its successful new "Co-operative Homestart" Program.

As I indicated earlier, the \$3.5 million program was originally announced last year. To date, 10 housing co-operative projects have received start-up assistance under this project. These projects represent approximately 134 units of renovated accommodations and 195 units of new construction. If all of these were to go ahead they would represent a \$16 million investment in our provincial housing stock. This new economic activity takes place at a time when accommodations are needed; these housing co-ops are serving many of those needs.

The government is also about to embark upon another major new program to encourage the development of employment co-operatives. Also known as worker co-ops, these co-operative organizations have proven successful in many different countries and Canadian provinces.

Employment co-operatives hold significant potential for many Manitoba communities and the provincial economy in general. The advantages of these co-ops in specific areas can be quite numerous. Firstly, they increase Canadian ownership because the workers themselves are the owners. They allow for more democratic control of specific economic activities through a co-operative ownership structure. They are usually more stable than other businesses because decisions about their establishment and operation are entirely community based and not predicated upon corporate decisions of head offices that may be based thousands of miles away and, consequently, unaware of, and detached from, community concerns.

As well, employment co-operatives can often operate more efficiently with less cost because the employees are the owners and have a much more direct interest in the everyday operations of the co-op.

So we believe that employment co-operatives can play a much larger role in our economy by providing new economic enterprises, increasing Canadian ownership, creating new long-term jobs, strengthening local economies and meeting community needs.

Over the past year, we have been discussing how employment co-operatives can expand our economy with co-operators, business owners, labour leaders and professionals. We have all agreed that employment co-operatives do hold potential for Manitoba. We have reviewed many ways by which their development could be encouraged and supported by the government, by other interested parties, and by the co-operative sector.

As a result of those discussions, and our review of how worker co-ops have operated successfully in other

areas, we are now finalizing program details and will be announcing a major new government initiative on employment co-ops in Manitoba within the very near future. Program details will be available at that time.

There is one other major initiative under way that I want to mention at this time, and that is the development of amendments to the existing legislation governing the credit unions and caisses populaires. This legislation was first discussed as part of the 1982 loan agreement between the Provincial Government and the credit union and caisses populaires systems. At that time, the Provincial Government lent the two systems \$29.5 million as part of an overall co-ordinated strategy to strengthen the caisses populaires and credit union system.

A number of operational improvements, such as the Examination Program, the Performance Improvement Programs, and the strengthening of the Central, Le Federation, the Stabilization Fund and Le Fonds de Sécurité were immediately implemented and they have produced positive results. At the same time, representatives of those same parties sat down to review possible legislative changes. Those discussions continued over a number of months.

Last fall, a discussion paper on possible changes was circulated by the government to the credit union and caisse populaires systems and other interested parties for their review and comments. Since that time, many discussions have been ongoing at many different levels of the system during which the general concepts and areas of possible amendments have been fully considered and developed. Those discussions are nearing finalization as more and more areas of consensus are identified and confirmed. It is entirely possible that this legislation could be ready for introduction in the present Session.

So it looks to be a very good year for the co-operative sector in Manitoba. The momentum is toward unprecedented growth, through both consolidation of existing activities and expansion into new areas of co-operation.

The Government of Manitoba and the Department of Co-operative Development stand poised to encourage and support that strong third force in our economy - Manitoba's co-ops, credit unions and caisses populaires.

MR. CHAIRMAN: The Chair now calls upon the main opposition critic to give his reply if he so desires.

The Member for Roblin-Russell.

MR. W. MCKENZIE: Thank you, Mr. Chairman.

I thank the Honourable Minister for his statement, too, as we begin the examination of the Estimates of the Department of Co-operative Development.

I am rather unhappy at the fact that we just get the Annual Report of the Co-op Loans Board, and the Guarantee Board, and the Co-op Promotion Board today at 2 o'clock as we are beginning the examination of the Estimates because they were for the year end, March 31, 1984. I think maybe another year the Minister could get them in our hands a little sooner so that we could do justice to the figures that are in those reports.

Mr. Chairman, the credit union movement in the past two years has boomed from the sad state of affairs

that it was in at that particular time. I guess the assets have grown to close to 15 percent and now exceed \$1.6 billion, is the figures I read, for the first nine months of '84, and a profit of some \$6.2 million for the same period.

I understand the credit unions and the caisses populaires saw their mortgage assets grow by some \$2.4 billion in the last year. So, basically, our credit unions, generally speaking, have done well and they have finally got their act in place and recognize that they are not banks and are following the guidelines that they were intended to follow in the days of the credit union movement starting.

Unfortunately, the same can't be said for the retail co-ops in our province who are facing extremely hard times in many cases. This government and this committee, I think we have our work cut out for us to see if we can't come up with ways and means to try and help the retail co-ops, especially, that are facing some really difficult situations as we sit here this afternoon, Mr. Chairman.

The other thing maybe that I would like to put on the record is regarding the legislation that's forthcoming from the Minister's office, that a lot of the credit unions that I'm talking to are wondering if most of the proposals are necessary and wonder if we're being counter-productive by this form of legislation at this time. They naturally feel that their autonomy is essential to their survival in their present structure, but some credit unions, at least, are worried that they weren't founded for the principles of supporting a bureaucracy to operate them. So I hope that when the legislation comes that we handle it with skill because increased regulations and controls imposed by bureaucracy can only serve to impair the abilities of our credit unions and co-ops to function.

So, with those few remarks, we wish them well for the year ahead and I'm sure, as we go through these spending Estimates of the Minister, we'll come up with a lot of things that will certainly further the strength of our credit unions and our co-operatives in this province.

MR. CHAIRMAN: Thank you, Mr. Critic.

At this point in time, the Chair invites the members of the departmental staff to kindly take their respective places.

Deferring the Minister's Salary as the last item, we shall start by considering Item No. 1.(b)(1) Administration and Finance, Executive Support: Salaries; 1.(b)(2) Other Expenditures - the Member for Roblin-Russell.

MR. W. MCKENZIE: Mr. Chairman, just so it is clear, it's my understanding of the conversation with the Minister that it would just take a broad question through the whole series of figures that are before us, and just pass it all when the question and answers are completed.

HON. J. COWAN: Yes, first, perhaps, I should introduce the staff that are going to be with us this afternoon, so that we can put some names to faces for those of you who don't know most of them. Most of them are well-known to you. We have no Deputy Minister at the present time and we're in the process of recruiting for

one; the previous deputy having gone to Government Services in the role as Deputy Minister there. Greg Thomson, many of you know, Ron Pozernick, Vic Hryshko and Ted Breuer will be here this afternoon to help me answer those technical and detailed questions that you may wish information on.

As well, I would like to indicate that I'm in the hands of the committee. As the opposition critic indicated, we want to go through it generally and then just pass the items at the end. I'm certainly amenable to that. Whatever he believes to be the most appropriate way to carry on the business before us is certainly acceptable to me. The purpose here, of course, is to have a good discussion, share some information and perhaps even talk about some philosophical issues that are important to all of us and maybe even every once in a while let politics enter into it. I think we could probably best do that by having a free-flowing discussion in exchange of ideas and comments.

MR. CHAIRMAN: It has been the policy and practice of this committee that the item 1.(b)(1) Executive Support and Salaries, and 1.(b)(2) Other Expenditures is the first item where broad policy issues and policy differences can be aired with respect to the operation of the department. That's a very broad opening item, and then we can go on item-by-item.

The Member for Roblin-Russell.

MR. W. MCKENZIE: Thank you, Mr. Chairman.

Mr. Chairman, may I ask how many active co-ops there are in the province today.

HON. J. COWAN: There are 292 registered co-ops. That does not mean that they are all active at the present time, but they are currently on the books. As well there are the financial co-operative institutions, the credit unions and the caisses populaires, and there's 132 in total.

MR. W. MCKENZIE: 132 credit unions and caisses populaires?

HON. J. COWAN: That's correct. Just as a matter for clarification, that's not including the branches of the credit unions and caisses populaires.

MR. W. MCKENZIE: I wonder, can the Minister give me an idea of the membership in the co-ops and the credit unions?

HON. J. COWAN: We are using a figure roughly a total membership as of December 31, 1983, of 221,985. I am certain you can appreciate while we give an exact number, that's really an approximate figure.

I have used the figures generally that a quarter-of-a-million members of the co-ops in Manitoba and about 288,000 in credit unions - I'm sorry, I am corrected on that now. The latest figures are 317,950 for credit unions and caisses populaires both. It's about 288 for the credit unions themselves.

MR. W. MCKENZIE: Could I ask the Minister, the gas spill in the Town of Neepawa, Federated Co-op paid some \$60,000 to cover the costs that were incurred

by the town. I think the overall bill as was related to me was some \$90,000.00. Of the \$30,000 that is still owing, I wonder if the Minister can give me any advice as to how they are going to resolve that.

HON. J. COWAN: I think those claims are being dealt with directly by the insurance agent or industry in respect to the spills for Neepawa. So I guess the best advice would be to work through that process. If at the end of the discussions, and we all know those discussions sometimes take longer periods than other times, but at the end of those discussions or when it's felt that an impasse has been met, then we may want to take a look at the situation. But to my knowledge those discussions are still ongoing.

MR. W. MCKENZIE: Are there other gasoline outlets in the province? I think there was one at Portage as well. Is the co-op concentrating on checking these storage tanks? I know some of them are in the ground, I suppose 10 or more years, and I'm wondering if there is, or is that done by another department maybe of government?

HON. J. COWAN: I am recalling back to my earlier portfolio as Minister responsible for the Environment. At that time we were talking about regulations and, as a matter of fact, I think when the Member for Roblin-Russell was in government, they were also talking about regulations dealing with that.

There are certain procedures that are in place generally. The co-ops do check the levels, as does any other gasoline storage and purchasing and selling facility.

MR. W. MCKENZIE: How many of the credit unions now are computerized?

HON. J. COWAN: I'm informed that 31 credit unions themselves are computerized and 15 caisses populaires.

MR. W. MCKENZIE: Can I ask the Minister how many amalgamations took place in the last year?

HON. J. COWAN: There were no amalgamations that took place in the period under review by this committee. That's not to say that there haven't been discussions and there may be amalgamations in the future. But for that specific period since we last met and discussed these items, there have been none.

MR. W. MCKENZIE: Can I ask the Minister, were there any mergers?

HON. J. COWAN: No, there have been no mergers, although again there are probably some discussions of which I'm certain the Member for Roblin-Russell is aware from time to time as to possible mergers. But none have taken place in that period of time.

I add the caveat, because I don't want the impression to be left that, in fact, there will no longer be any need for amalgamations or mergers, but just that there haven't been any in a specific period of time.

MR. W. MCKENZIE: Mr. Chairman, the inspection audits that we discussed last year, I believe there were some

15 that were completed. Can the Minister give me an idea of how many were completed this past year?

HON. J. COWAN: There were 22 examinations completed by the examination section last year for 1984-85. We're anticipating a slight increase in those numbers for the upcoming year.

MR. W. MCKENZIE: Mr. Chairman, how many of our credit unions and caisses populaires are in a deficit position?

HON. J. COWAN: I understand that 31 credit unions and five caisses populaires are currently in a deficit position. That figure is much similar to what it was the last time we presented a figure, although I think there have been some changes in the actual credit unions and caisses populaires that are under supervision, a very minor change. So those figures are reflective of the most recent circumstances.

MR. W. MCKENZIE: Can the Minister advise how many co-ops in the province are operating in a deficit position over the past year?

HON. J. COWAN: No, we can't provide that information, as we don't collect it. Generally, I think we can say that, like any other business enterprise, co-ops fluctuate in respect to their economic viability. We're impressed with the general level of activity and viability, but that's not to say that there aren't specific circumstances where a co-op may not be in as healthy a position as it was in a previous year and others are probably in a more healthy position.

To correct the record, the information is collected as part of the regulations, but it's not released publicly as it's felt to be privileged information between the co-op and the department. It's for the purposes to be used by the department.

I can certainly address any specifics that the member may wish to question by asking that particular co-op to contact the member directly. If they would want to give the information out in that way that would be the appropriate procedure to follow.

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: Yes, thank you, Mr. Chairman.

Yesterday, under Northern Affairs, we got into a discussion with respect to a wild rice co-op at The Pas. Did the Minister say this was just opened for business in 1984?

HON. J. COWAN: Yes, I had promised to get the information back to the Member for Swan River during today's Estimates. It is my understanding that the project is now in the initial stages of development. As I indicated earlier, the Member for The Pas and I had visited and consulted with the individuals who would be the proponents of the co-op some time ago.

A presentation was made by departmental staff on November 4, 1984 on the possibility of organizing as a marketing co-operative. We're informed now that they have taken that information from that presentation and a study into wild rice potential is being conducted. And

following its completion they, as members themselves, will make a decision as to whether or not they want to incorporate.

I might add that this co-op structure has been under discussion in that area since the fall of 1983 and we're pleased that they are reviewing a possible co-operative structure as a way of providing a marketing service and a producing service for wild rice. It is an area that is of great potential in not only Northern Manitoba but many parts of Manitoba.

MR. D. GOURLAY: Does the co-op package and market this product under the co-op name through co-op stores, or do they have their own trade name, if we could be advised as to the marketing aspect of this product?

HON. J. COWAN: I think there might be a slight misunderstanding. They are now reviewing the possibility of forming a co-op. They're undertaking a study. They have not incorporated as of yet, so that would be a decision for them to make at the time of incorporation as to exactly what name they would like to call the co-op and how they would like to market the product. There has been a good deal of interest though and, we think, positive response to our work with them suggesting that they do form such a co-op.

MR. D. GOURLAY: So it's still in its development stages at this point. It hasn't actually functioned in any aspect at this point?

HON. J. COWAN: It's a number of individuals who have been seeding lakes and producing rice as part of their own activities. When they gave consideration as to how to structure that organization in order to expand its activities, in order to take advantage of the opportunities in the area, they thought of a co-op structure.

They made contact with the department. They made contact with the MLA for the area, and he made contact with myself. We've had those discussions with them, and it's my understanding that they're still very interested in forming a marketing co-op for their product, but they are doing a feasibility study at this time as to exactly how that would be done. I think that's probably an appropriate mechanism to make those final determinations.

We've provided them with the information we can and also with the offers of assistance if, in fact, they want to incorporate. It's now up to them as a group to decide whether or not they want to incorporate. Of course, we're encouraging incorporation for viable enterprises as co-operatives, as part of the normal activities of the department, and will continue to do so. But the choice, as you're well aware, has to remain in the hands of the membership.

MR. D. GOURLAY: Are these all new producers, or have some of them been in wild rice production for a number of years? I think the Minister just mentioned there were six people involved. I'm just wondering how long some of these people have been in wild rice farming.

HON. J. COWAN: There are more than six, and I can't give you an exact number right now, but the group is

growing it appears from the minutes of each meeting. So we can certainly anticipate that there would be at least that number and more if they were to incorporate.

Some have been actively involved in wild rice seeding and harvesting in the area. The gentleman with whom the Member for The Pas and I had our discussions was very knowledgeable in the area, and probably one of the more knowledgeable people in Northern Manitoba, if not in the whole province, as to wild rice operations. There are others involved with him that are coming in on a first-time basis and are probably gaining knowledge as they proceed.

It's my understanding that they've seeded a number of lakes in Ilford, Leaf Rapids, Wabowden, Thompson, Pukatawagan, Snow Lake, Sherldan, Flin Flon, Cranberry Portage and The Pas area.

They are perceiving the wild rice industry - and I think correctly so - as another secondary industry for many single industry areas in the North and are proceeding on that basis. So there are those who have had some fairly extensive experience on their own; there are those that are less experienced.

I also know that they have been looking at what harvesting operations and mechanisms have been put in place in other jurisdictions, such as Saskatchewan, and trying to gain from their experience and expertise as well.

MR. D. GOURLAY: Over the years - I don't know just how long ago it would be - but there was an extensive wild rice project undertaken by The Pas Band, I believe, on property west of The Pas to make a man-made situation to grow wild rice. I think that project probably failed; I am not sure. I don't think that's functioning today. But would some of those people who were involved in that project be involved in this project?

HON. J. COWAN: With your indulgence, I would ask the Member for The Pas, who has a more direct knowledge, to maybe update us on that because as a department we don't have that information available to us, but he can provide the answers to your questions perhaps.

MR. CHAIRMAN: The Member for The Pas.

HON. H. HARAPIAK: Mr. Chairman, an individual by the name of Earl Claven was employed by the federal Department of Economic Development, and he was the individual who was pursuing the wild rice operation for The Pas Indian Band. This individual, when he quit the department, moved to Saskatchewan and since that time that wild rice operation has been closed down. It was only The Pas Band members who were involved at that time. None of the individuals who were involved with this rice processing plant at The Pas were involved in that operation.

MR. D. GOURLAY: I thank the Minister of Northern Affairs for that information.

I direct a further question to the Minister responsible for Co-operative Development regarding wild rice co-ops in the province. Are there any in existence in other parts of the province that he knows of?

HON. J. COWAN: No, there are none that are currently incorporated, although I personally know of a number

of individuals in my own constituency who are again reviewing the option in a very preliminary fashion. I think it's a concept and an idea whose time has yet to come, but I certainly share the enthusiasm of the members opposite and members on my side as well for an expansion of wild rice activity in the province, the creation of a new industry, a secondary industry in many areas.

Hopefully, some of those groups, if not all of them, will use the co-operative model as a way of structuring their activities because I think it provides many benefits to different organizations and groups that may be spread out in the way in which they are as an organizational, economic entity.

MR. D. GOURLAY: I don't have any further questions, but just as a comment, I certainly wish this project well. I think that it has certainly a lot of potential. I believe the co-operative approach should lend itself well to developing this into a much larger industry than we see in the province today. I am sure that there is great market potential for this product, and I look to the future with interest and hope that this can be expanded as another kind of industry that will be available to Northerners for the benefit of not only Manitobans but Canadians that like to enjoy wild rice.

HON. J. COWAN: Having a taste for it myself, I certainly appreciate the comments that have been made, and the encouragements and signs of support, and will ensure that as we work with those co-operatives, they are made aware of the general level of support that exists for them.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman.

A few quick questions. A day care co-operative, are they allowed to form if the government does not give them any subsidized spaces?

HON. J. COWAN: My understanding is that they would be allowed to form without subsidized spaces, but the cost economies may not be there. Of course, that would be up to the members of the co-ops themselves. Generally, they do form with subsidies provided to them, but I am certain that is not a requirement.

MR. CHAIRMAN: Before I recognize the Member for La Verendrye, I made a mistake. The Member for Ste. Rose was ahead, but with his indulgence the Member for La Verendrye may proceed.

MR. R. BANMAN: Thank you.

I just want this clearly understood that if a group of people get together and form a day care co-operative, the government will issue a licence and they will not be required to have subsidized spaces before they receive that licence, is that right?

HON. J. COWAN: Perhaps the member can provide me with the last part of his question. I missed it.

MR. R. BANMAN: The Minister just said, and I just want to get this straight, that parents can get together

and form a day care co-operative and receive licensing from the province without having to have subsidized spaces within that day care?

HON. J. COWAN: That's basically correct. They can incorporate as a co-operative; they can function as a co-operative; the licensing is required and they have to meet the general provisions of the act and the regulations in respect to day care. If they meet those licensing and regulatory provisions, then if they can operate viably or, in their own minds, operate viably as a co-op, there would be nothing to prevent them from doing so just because they did not have subsidized day care spaces. They would have to meet the other requirements of other legislation though.

MR. R. BANMAN: I would like to deal briefly with a few areas. I understand, from talking to my colleague, that we will be moving from one area to another and then pass it in general later on. I would like to ask some questions about the loan that has been given to the Credit Union Stab Fund and the Le Fonds de Sécurité.

My first question is - I wonder if the Minister could again just refresh our memory - what are the amounts that were given to the credit union? Is it \$25 million and \$4.5 million, I think is what it was?

HON. J. COWAN: That is correct.

MR. R. BANMAN: The government has included some \$4.38 million in costs to the government by way of interest forgiveness. Was the actual money transferred; in other words, whether the \$25 million was a cheque or some vehicle for transfer done at the time when these funds were earmarked or allocated to the two stabilization funds?

HON. J. COWAN: It's my understanding that the money was transferred but then was, as per the agreement, used to purchase Manitoba Government bonds, and then the interest flow has originated from those bonds. So there was a transfer in some money, or transference of the cheque, but it was made under an agreement that it would be immediately used to purchase those bonds.

MR. R. BANMAN: So the credit union movement is not administrating the funds, or is not using the funds in any way in the operations of either the Le Fonds or the Stabilization Fund?

HON. J. COWAN: They are using the interest that flows from the loan, but they are not using the principal.

MR. R. BANMAN: Since the loan amounts to a little less than \$30 million to the two agencies and we've got something like 4.38, almost \$4.4 million, is the effective rate of interest over 14 percent on that loan?

HON. J. COWAN: Yes, I might just add a bit more information, that to date including and up to the 1984-85 fiscal year, monies that have flowed by way of interest to the Stabilization Fund have been \$10,205,573.63; and that which has flowed to Le Fond has been

\$1,837,003.25, for a total of \$12,042,576.88. It is anticipated that by the end of the five-year agreement, monies that will have flowed will be in the order of just under \$22 million.

MR. R. BANMAN: What is the effective rate of interest?

HON. J. COWAN: I believe the effective rate of interest is 14.875 percent which is locked into the end of the agreement. That's the case.

MR. R. BANMAN: Is the Minister saying that the Finance Department gave the money to the Stabilization Fund; the Stabilization Fund in turn bought a debenture from the Province of Manitoba, a five-year debenture at an effective rate and the province is paying now 14.875 percent interest on that debenture, is that right?

HON. J. COWAN: That is correct.

MR. R. BANMAN: Since the agreement has run now some 2.5 years, I believe, what is the Minister's projections with regard to the position of the fund when the debenture becomes due, what happens?

HON. J. COWAN: What is happening at present is we were talking with Le Fond and the Stabilization Fund in respect, and the central, and the Federation, to determine how it is we deal with the situation at the end of the agreement.

They are doing projections as to what position they should be in respect to the overall health of the system at the termination of the agreement and we are discussing those projections with them. They are suggesting that there should be an extension of the loan under similar or different circumstances. They are looking at restructuring plans internally.

We have indicated to them that we are prepared to discuss those options with him at this time in order to get to get a fuller understanding of their position and our position, but any decisions as to a continuation of the agreement will have to be made at a later date.

We are not ruling out that possibility. At the same time, we want to ensure that the projections that are coming forward are those that we can rely upon and base the decisions upon. Generally, if it appears as if the system can pull itself out of the difficulty which necessitated the loan in the first place, then there would be really no requirement to extend the loan. If it looks as if they require further assistance in order to come to a healthier position, then we'll be prepared to discuss that with them. No final decisions have been made in either regard as of yet.

MR. R. BANMAN: So after two-and-a-half years it's still pretty hard to tell exactly where we're going to go with the loan itself, or I guess, really, in essence, the grants that they're receiving on an annual basis. Has there been any discussions with regard to not only how the debenture will be handled when it matures, but of any pay-back schedule by the movement?

HON. J. COWAN: The discussions haven't reached that level of detail as of yet, but I certainly would anticipate that all sorts of different options will be put forward

by the different parties once those discussions do reach that particular stage and those issues will most likely be under discussion as options come forward.

I'm being informed that the system itself believes there will be a requirement for some sort of an extension. Exactly what form that extension might take is yet an open question and whether or not there will be an extension is yet an open question, but I think the basic principle that underlies the discussions is to provide for the continued health of the system.

The loan was given in the first instance to allow the system to strengthen itself. I don't think one would necessarily want to say that the system hasn't reached a point where it has become fully strengthened. The projections can only indicate that, but there has been an apparent strengthening of the system. There has been an asset growth, a membership growth.

We believe that the system has put in place a number of other operational procedures such as a Performance Improvement Program. The government has put in place the Examination Program, are looking at the regulations in the legislation so that as part of a whole package, we're hoping that our efforts will bring some viability back to the system.

However, what has to be emphasized is that the primary responsibility for improving and strengthening the system lies with the credit union and the caisses populaires membership at the local level. That self-help has always been an important component of co-operative activities and it is in this instance. We're prepared to sit and discuss what role the government might play when it's required to assist.

MR. R. BANMAN: Mr. Chairman, I wonder if the Minister could tell me how the credit unions that were facing real difficulty - Daughin, Portage, Assiniboine Credit union - how did they make out this year?

HON. J. COWAN: Generally, the ones that were listed by the member have been making progress, some to a greater extent than others, some were in very difficult circumstances and of course that takes time to work one's way out of. However, they are doing that. The projections are good in most instances. I believe there is only one smaller operation where the circumstances have deteriorated most recently, but even in that case we expect that appropriate actions can satisfy any concerns or problems at this time. It's looking very good for those particular credit unions and the cases that are affected as well generally, and we think that they will be able to pull themselves out of specific circumstances over time. The projections and the prognosis are positive.

MR. R. BANMAN: Mr. Chairman, I'd like to deal with them specifically; first of all, Daughin. Could the Minister tell me if they had an asset growth this year, and if there was any loss retirement? In other words, did they make any money to pay off some of the large losses that they have incurred?

HON. J. COWAN: I can give a general answer, that we understand they are, in fact, having a growth in assets and that they are dealing with their problem in respect to Daughin. I do hesitate to get into specific detail on

specific credit unions in a forum such as this. I don't mind answering the general questions, however, I'm certain you can appreciate that some of the information is privileged information, and some of the information could also, if it were not dealt with in the whole, cause concerns that would be unnecessary. However, in respect to general questions and general answers, I have no difficulty, and I would certainly be pleased to arrange meetings or to seek approval to transfer specific information to the member directly as required on the more detailed questions.

MR. R. BANMAN: Well, I will tell the Minister that I won't press the matter, but I somewhat object to that, and I'll object as a credit union member. As a member of the Steinbach Credit Union, which pays a very very large fee into the Stabilization Fund now and pays a very large share into the operations of the whole Fund.

What really, I think, I have to say is that I think it is important for all of us around this table, as well as the public generally, when we're starting to put this kind of money in, to know exactly what's happening with regard to the ones that I mentioned that really caused a lot of the problems. I know what the Minister is saying, we want to avoid any possibility of having any runs or anything like that, but I think that has already been dealt with to the extent that the government has indicated that they will, and have obviously, by the amount of money you put in, will not allow a run to happen and will not allow a credit union to fail. To that extent, that has already been taken care of.

But I want to say to the Minister that I know that staff is all available, Portage is available - my colleague has the information on that - but there is the real problem of the credit unions that do have, and have over the last number of years, had good management, had done business in a proper manner, almost being penalized because their share and their growth has been really quite large and, of course, now are being asked to support the system in a very very heavy manner as far as the assessments are concerned. So I just raised that at this point and I was interested to know what was happening at Portage, Daughin, Assiniboine and a few others with regard to them trying to get back on their feet.

I would ask the Minister if he foresees more mergers in the next couple of years to consolidate some of the credit unions and try and reduce the operating costs, as well as the profitability of some of them.

HON. J. COWAN: Yes, I think it's fair to say that there will most likely be more mergers over the coming years.

MR. R. BANMAN: Does the Minister, in their projections with his staff, foresee any expansion - I'm talking about the growth that some of the credit unions - any expansion in the forming of any new credit union co-operatives over the next four or five years, or will we be basically in a holding pattern trying to stabilize the system the way it is right now?

HON. J. COWAN: First, before I answer, I want to deal with the objections that the member had regarding the provision of information and try to work out a suitable mechanism for providing him with that information.

Would he be agreeable that, if there were specific concerns on specific credit unions and caisses populaires that he had, that we could check to make certain that the credit union and caisses populaires had no difficulty sharing that information and then, if questions arose from that, he could ask questions in a normal fashion during question period or directly of me.

Some of the information is already public, granted, but it's made public by way of a public meeting, the credit union or caisses populaire annual meeting, or membership meeting, and I think that's the right way for the information to flow; to the members first, where they can deal with it and then, if it wants to be reported in the local media, I think that's appropriate. We have a somewhat different relationship with the credit unions and caisses populaires, but I certainly agree with the Member for La Verendrye that we should flow as much information as possible. So, before dealing with his second question, would that be an appropriate way to provide that information to him on specific credit unions, if required?

MR. R. BANMAN: Yes, Mr. Chairman, I just point out to the Minister that I believe that since most credit unions and caisses populaires, well most, all of them, are responsible to their memberships, that all information, since it's a public body, all information should be given to the members and if in certain instances it is embarrassing to the Board, so be it.

I think one of the biggest problems that we've had in the whole system in the last 25 years is that we have had the boards almost abdicate their responsibility. When you look at what happened in The Pas, what happened in Thompson, we had credit unions that were losing money five, six years in a row, and nobody was accepting any responsibility. And the only thing that makes a co-op work is that if you have people - and the Minister alluded to it earlier - if you have people who are dedicated to co-op movement and dedicated to see the facility work. So I just say to the Minister, I have certain questions and I'll write them down and send them to him and he can maybe provide me with the answers.

But I really have to say that I think all the information should be made public; the members should know what's happening; and the board has to be accountable. I know there's an argument there where they say, well they won't get any board members to run, but somebody's got to, in the final analysis, be accountable. I think we got ourselves into this big mess in the first place by not having enough people around that were accountable to us in the first place, and that's the problem with CCIL and everything. What happened, the bureaucracy took over and suddenly the money was coming in and the managers and people just took off with the system and, before you know it, we were out of control. And now, of course, we're all in a holding action, as well as trying to rebuild the system. So I'll jot a few of those things down and I'll forward them to the Minister and he can provide me with the information.

HON. J. COWAN: Perhaps I can answer his other question then, and comment on his other comment.

And I agree with him that the information should be made available to the members and there has to be accountability at the membership level and certainly that is taking place more and more. There has been an improvement in that area, I am certain, at the local level. However, the information should be made available first to the membership, so that they can deal with it before being made public. So that is why I would like to check with the individual credit unions and caisses populaires and even co-ops to see if there is any difficulty.

I recall last year we had some discussion on Federated in the Annual Report and once we contacted Federated there was no difficulty in following the Annual Report. But, because the movement itself, so jealously and I think appropriately guards its autonomy, I think, as Minister responsible, I should show them that confidence in that autonomy and that courtesy - I think it probably goes beyond that courtesy, it's probably a requirement of my position to guard their autonomous position as much as possible. But certainly I'll try to make as much information available, in whatever way through a co-operative mechanism, with them as I can.

The member talked about the overall system and how one part of the system sometimes will pay for another part of the system which is not operating as successfully, and that's going to happen from time to time. That's why there are central organizations and stabilization funds, and there is co-operation among co-operators which is one of the six basic principles. I'm certain that I need not tell anyone in this room that that is extremely crucial.

I recognize that the Member for Roblin-Russell was a member of the Central at one time - as a matter of fact, I think when he was elected to the House he was a member of the Central. I know that the Member for La Verendrye has a strong history in the credit union movement in his own area. Last year, we talked about a couple of those credit unions, Niverville and Steinbach. I think we had much the same discussion.

There is a reason for that co-operation though, and that's so that when one part of the system happens to be in some difficulty, the whole system can be put in motion in order to deal with those problems. That's the whole principle around which the central organizations had been developed, to provide services, to provide support.

I agree with him that the membership at the local level has a very prominent role to play in making certain that the co-op or the credit union or the caisses populaires functions effectively and efficiently; that's their responsibility; that's the role of the membership. Anything we can do to encourage that, anything that we can do to help them in that role, I think, is a productive use of our time.

In regard to new credit unions and caisses populaires, yes, I expect that there will be growth in the system beyond the actual numbers of credit unions and caisses populaires that we have at present. I think it will be limited growth. I mentioned last year, and I think we all agreed, that we were in a period of consolidation and strengthening the system, and that any growth that would come over a period of time would be slow growth most likely because, when you're in those sorts of circumstances, you want to use your energies to provide for the stability which is necessary.

At the same time, there are groups out there that have approached me, as Minister, and have approached staff, that are interested in forming new credit unions and caisses populaires. Those discussions right now are at the preliminary stage, for the most part, but I would fully anticipate that there will be some new ones coming on stream in the near future, but it will be a very limited number to the best of my knowledge.

MR. CHAIRMAN: I'd like to give the opportunity to the Member for Ste. Rose to ask his question because we're going into Private Members' Hour.

The Member for Ste. Rose.

MR. A. ADAM: Thank you, Mr. Chairperson. Some of the questions were raised by the Member for La Verendrye and, most of the questions he asked, I was aware of the information. What I wanted to perhaps ask the Minister was, he indicated there were 31 credit unions and five caisses populaires that were still in a deficit position, was that correct?

HON. J. COWAN: That's correct.

MR. A. ADAM: Basically there hasn't been any change in the two-and-a-half years as to the numbers. Have there been any that have come out of a deficit position?

HON. J. COWAN: I'm sorry, I missed that.

MR. A. ADAM: Have there been any that have come out of a deficit position? We assume that they've all ameliorated.

HON. J. COWAN: I think, basically, there have been a number of mergers, a number of ones coming in and going out. There are some that are very close to coming out now. It's just a matter of a very short period of time, but the group has stayed basically the same.

MR. A. ADAM: There were approximately, as I recall, 30 percent of the credit unions that were in some financial difficulty. Unfortunately, most of them were the larger ones. What I want to get at is, the assistance is provided for the deficit as of the day of the assistance package. Are we working on the deficit prior to the assistance package, or are any bad loans or bad deals since that time of 1982 being added to the deficit position, and we are now assisting bad deals since that time? That's a clarification that I would like to have, Mr. Chairman.

HON. J. COWAN: No, the deficit at any given time is a figure representing the deficit at that given time; it's not locked into what the deficit was several years ago.

As a matter of fact, after the original deficit projection was determined, the deficit grew over a period of time because there were loans that were coming forward that had to be added to that deficit. It is now starting to decrease, and we feel that we have identified almost all, if not all, of the possible problems with the deficit, and that the projections now are fairly accurate.

But they did hump after the loan agreement, and they are coming down now. It's not a static figure, it's a figure that is fluid with the conditions at any given time.

MR. A. ADAM: Mr. Chairperson, I assume that the amount of assistance reducing the deficit position would be the amount that is paid out, for instance, 4,388, that would be a reduction to the whole system for this year. Do I understand that correctly? Is it the interest that they receive from the loan, from the debenture, is disbursed by the Stabilization Fund? The board makes a decision as to where and which credit unions get this assistance?

HON. J. COWAN: The funds themselves do flow the money, and they have their own formulas for calculating the assistance to the individual credit unions and caisses populaires.

MR. A. ADAM: Can I ask what the global figure was when the assistance package was put together and what it is now? Can I ask that figure? Can we have that figure without zeroing in on any particular credit union?

HON. J. COWAN: If it's all right, it's 4:30 or close to 4:30. We would have to do a detailed calculation, we can provide that to the member at 8 o'clock when we next sit, if that's okay.

MR. CHAIRMAN: The hour is now 4:30 p.m. We are interrupting the proceedings of this committee for the Private Members' Hour. Committee members shall return at 8:00 p.m. this evening.

SUPPLY - ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH

MR. CHAIRMAN, P. EYLER: Committee come to order. We are considering the Estimates of the Department of the Environment and Workplace Safety and Health, Item 1.(a) the Minister's Salary and under that the Workers Compensation Board - the Member for Swan River.

MR. D. GOURLAY: Mr. Chairman, I'd like to direct some questions to the Minister through you, Mr. Chairman, regarding the Swan Valley Livestock Co-operative Association at Swan River who employ some six employees. I would like to ask the Minister why isn't it mandatory for this livestock shipping association to pay premiums on behalf of their employees?

MR. CHAIRMAN: Mr. Minister.

HON. G. LECUYER: Thank you, Mr. Chairman. Under the act, any agricultural operation, as well as a variety of other sectors, don't come under the act in a mandatory fashion but they can voluntarily apply under the compensation system. So all that is required for them to be covered, to have the employees covered is for them to apply for coverage.

MR. D. GOURLAY: Has the Minister received any communication from this livestock shipping association requesting the association to be compulsory for them to participate in the workmens compensation program?

HON. G. LECUYER: No, none that I am aware of and I believe that is also the fact.

MR. D. GOURLAY: I wonder if the Minister could explain briefly then just how it works on a voluntary basis. That would be that the livestock shipping association would, on their own, contact the Workers Compensation and list the number of employees they have and submit premiums on their behalf. Is this what the Minister is saying?

HON. G. LECUYER: The normal procedure would be for that group to get directly in touch with the director of assessments at the Workers Compensation Board; or for that matter the letter could go directly to the chairperson of the compensation board and then from within would be redirected to the director of assessment who would then be in touch with that particular operation.

MR. D. GOURLAY: I'd like to direct a further question on a different topic. I had been contacted by a constituent who had unfortunately had a serious accident a number of years ago and has been receiving benefits under the Workers Compensation Board of Manitoba; I'm not sure just how long. But his case has been reviewed from time to time, and just recently he was asked to supply complete income information, in other words, to supply a copy of his income tax to the board so that they could review his case and to review the amount of benefits that would possibly be coming to him.

Now I understand that his worker's advisor had indicated to my constituent that it was not necessary for him to disclose this kind of information. I wonder if the Minister could respond to that to see whether it is mandatory that people who are receiving benefits under the Workers Compensation that it is mandatory for them to supply complete detailed information on their income tax.

HON. G. LECUYER: I'm not sure I heard the entire question from the member, but I believe the member might be referring to a constituent in this particular case who is perhaps self-employed, in which case that would be at various times required as part of the ongoing review for a number of reasons as well as to, in particular, determine the wage loss that is being incurred by the actual claimant and that would be one, and probably the only, valid method of determining what his wage loss would actually be. So that is current practice in situations where the individual claimant is self-employed.

MR. D. GOURLAY: Mr. Chairman, through you to the Minister, I believe the individual does make some income from that type of employment that he has undertaken since his injury, but the information that the board is asking for is, and they've sent a form here.

"To whom it may concern: This will be your authorization to provide the Workers Compensation Board of Manitoba with copies of my income tax returns for the years 1982 and 1983."

Now, why would the worker advisor say that it's none of the Workers Compensation's business to have all

this information, and the constituent has adjusted the declaration to read, "This will be your authorization to provide the Workers Compensation Board of Manitoba with copies of my income from employment and pension income for the period requested."

Now, I fail to see where, even though this man is self-employed as a result that he's doing different work than he was doing before he was injured and I don't see the reason why he should have to disclose income from perhaps investments, or such, with respect to deciding what kind of benefits he is to receive under the Workers Compensation.

HON. G. LECUYER: It's very difficult to comment in details from a number of standpoints; first of all, that I don't have the whole background of the particular case; and secondly, I certainly wouldn't want to break any confidentiality of this in regard to this particular claimant.

But a further occurrence where it might occur that this information is required - and the member had indicated as part of his remarks that the claimant has been receiving some form of assistance in the form of benefits - and it might be that as part of those benefits there was some business startup assistance, and there again they would have to have tax forms to determine viability as well as wage loss, if any.

Now, I can't make any comments on the reference to the worker advisor reply unless I have the full details of it, and perhaps the member would like to apprise me in confidentiality of the particular situation so that I can pursue it.

MR. D. GOURLAY: I would thank the Minister for that response, and I would be pleased to send him further details of specific information with respect to this case and to see if, in fact, the Workers Compensation Board is really asking for more information than they are entitled to.

MR. CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: Thank you, Mr. Chairman. Last night when I left here, I kind of left with a clear mind and a pretty clear conscience, but I had time to reflect on some of the remarks that I had heard yesterday, and I'm really prepared to carry on just a little bit longer. I had assured the Minister that I wasn't just going to talk on anything just for the sake of talking to keep the committee in session, but I think the Honourable Member for Inkster is going to pose a few questions to the Minister also.

I think that, just to get down to some specifics, I have had a couple of claims and I have made the Minister aware of some of these claims where people have contacted me and I had assured them that I would present their case to the Minister and to the Workers Compensation Board, not that I have been able to go through the claims in any detail although I had special permission to go through their health records which is required by law. I did receive that, but as I mentioned to the Minister I have got to go through hours and hours and days of days of reading. It gets down to a point where he and I are not that capable of being able to correct a possible injustice.

At this point, I don't know whether it was an injustice or whether somebody was just feeling sorry for themselves. Although when they speak to me, I believe them; otherwise, I would never take up their case at all and present it to the Minister.

The Minister is aware of three in particular. I had given him a copy of a letter dated March 4th, wherein I had requested some information from the chairman of the board, and the chairman had advised me that I needed signed approval from the particular people to see that I got that information. So I went through the routine and I got it. I didn't realize what I was getting into.

I thought there has to be some way of appeal through the Workers Compensation Board that somebody who is more qualified than I can start to review these cases. I know that there are Workers Advisors, and I spoke highly of the Worker Advisor yesterday.

I spoke against those people who were training, you know, those union representatives who were training. I spoke against those people who are being funded by the Provincial Government to take that training. I spoke against it, because one day those people will be fighting me on a political basis. I just don't want them to have the opportunity to receive any additional benefits than the people who support me.

So at this point, I would like to mention to the Minister the names. We're not going to get into details, Mr. Minister, because I know that we can't get into details. Some of the information that I have in my head, and I hope I don't just blurt it out is confidential information. So I am not going to get into anything in a detailed basis. — (Interjection) — The Honourable Minister's got a question?

HON. G. LECUYER: The member has indicated he would mention the names. If the member wants a little bit more information, although I haven't, as he has, got a signed authorization to review the cases for these individuals. As Minister, I don't intervene directly in the adjudication process. If the member, because he has given me foreknowledge of these cases, wants to ask questions in terms of how any of those particular cases have been dealt with in terms of the process without mentioning names - and I would prefer he wouldn't mention names - if he would simply give a few of the particulars of the case, then I would be able to understand which case he is referring to and still provide some answers.

MR. A. KOVNATS: Thank you, I appreciate the assistance that the Minister has just offered, and he's absolutely right. The Minister, under The Workers' Compensation Act, is not allowed to look into any of these people's records the same way that I, as an opposition member, have to get the proper authorization. I think that the Minister who is in charge of that department should have some additional rights and privileges to be of assistance to some of the people of the Province of Manitoba who might need that assistance.

Anyway, without mentioning the names, the first one that I'm going to talk about has a language problem. When he made his case to the Workers Compensation, it wasn't until much after the accident had occurred.

I'm not going to get into specifics, but he had his accident at his work, went home, wasn't able to carry on with his employment, tried to carry on because he was a very very conscientious person, tried to carry on with his employment but just wasn't able to do so because of the injury that he sustained at his work.

He had a lack of ability to communicate because English was not his first language. French was not his second language, and he did have difficulty. He was a darned good worker and he was very capable in his chosen profession, but he couldn't communicate and he didn't know. So it was lack of knowledge.

By the time that he had found out from other people who were able to communicate to him in his first language, it had long gone past. People weren't prepared to give him the consideration because he didn't follow the rules that were laid down that a report of accidents have to be made within a certain time. This person is still not capable of carrying on his employ.

What can the Minister do or say to give this man some encouragement so that he can be part of the usefulness to the community? At this point, he's not able to contribute, and he still has the language problem. What assistance could be given to him? What assistance was given to him when he came in with this language problem?

HON. G. LECUYER: I think, without indeed the member referring to any names and the fact that he has indicated some of the cases he would draw to my attention, I will presume I know which case he is referring to. Perhaps it's also good that the member asked this question. It enables us to provide an indication that might be useful to all of us to understand that a service-oriented institution as the Compensation Board indeed would be, especially in environments such as that of Winnipeg and Manitoba, in a position to be able to provide a service to a lot of people whose mother tongue is neither English nor French.

For the member's information, I want to indicate that within the operation of the board there is, in staff in the board, the possibility of providing assistance to claimants who have such problems in French, German, Italian, Icelandic, Filipino, Polish, Portuguese and sign language. As well, if anybody else were to come in and did not speak any of these languages, the board then, either through the review process or in appeals process, would then purchase the interpreter service from outside. In this particular instance, for instance, the member had the services of an interpreter throughout the appeal process on this case.

Now there may be available to this claimant, in particular, still avenues for appeal on his case. If he has, for instance, any new information, either medical or otherwise, that might be useful in elucidating his case that would shed new light on the decision that was brought forth in the appeals process, just from a language standpoint, a survey done for instance, of other agencies in Manitoba indicated that the board was providing far greater, or more extensive services, from an interpretative standpoint and language standpoint, than in any of the other institutions located in Manitoba.

So there is a good service provided from that standpoint, even within the board's staff employees,

but when it is not there for any individual who comes in, then the board seeks individuals who are in a position to be able to assist in interpreting for them.

MR. A. KOVNATS: I appreciate that information, and part of the question was posed to the Minister so that everybody would know the problems and the solutions to some of the problems.

The Minister was saying about the language problem. It wasn't just the language problem; it was his misunderstanding of the rules and regulations because he wasn't able to read English. His claim wasn't made on time, and I think that that was possibly held against him.

Could the Minister advise if that was the main reason, that because his claim was late in being processed, that he had two strikes against him before it even got down to that point?

HON. G. LECUYER: No, the fact that the member would be late would not have any effect on the case. As the member might recall yesterday, we were discussing cases, for instance, that go back many years that are still brought forth and reopened on the basis of either that they want a rehearing because they were not given, in their estimation, a proper hearing in the first instance, or else they have additional information to bring forward.

I want to also add for the member's information that yes, it's very likely in many instances that the claimant's lack of knowledge and information about the procedures, the act itself and the regulations under the act, and that is why the Workers Advisors Bureau provides a tremendous service in that regard.

The claimant himself and the claimant's representative, if they do not want to go to the Workers Advisors Bureau, can seek that kind of advice as well through the review officer who will assist in that very regard. The member might recall that we made reference yesterday to the Injured Workers Association, and that is also a service that they provide voluntarily. So there are a number of avenues open to assist workers who have that type of problems.

As well, I am advised that the board is in consultation with the inter-agency group for immigrant concerns and, further, that the board intends to publish this fall a pamphlet of general information in five languages that will make available similar to one that exists now that is available in English so that it will be better for providing general information to a wider sector of the population.

MR. A. KOVNATS: When the Minister was giving the list of languages that were available, he mentioned French and English, and I didn't hear him mention Yiddish.

Can the Honourable Minister advise whether people who are of Yiddish background are more careful in the workplace and do not require any assistance at the Workers Compensation Board?

HON. G. LECUYER: I thought, Mr. Chairman, I would practice the only two words that I know in Yiddish, but then I won't even dare do that because they might have a meaning that I am not aware of and that might be risky.

No, among those that I have mentioned there wasn't Yiddish. But there again, in the same manner, as I indicated a little while ago, if someone needed that service then the board would do everything that is possible to try and provide that service to them should they come in with an appeal or for a review of their particular case.

MR. A. KOVNATS: The second name on that list is a person of a visible minority. He comes to me and he appraises me that he thinks that he is being discriminated against because he is a visible minority. Now I've got to support his feelings, but I just can't possibly believe that because he is of a visible minority that he would be discriminated against. I only mention that, and I don't want to get into any details because I don't believe that is the case.

We will go on to the third one, Mr. Minister. — (Interjection) — Well, I have to bring it up because I had spoken to the man and I told him that I would.

The third case is a chap that has been accused of playing on an injury that happened during the Second World War, and I've got special feelings for people who have served their country and possibly had been injured. I know that it has no bearing, but it's been so long ago that this injury, which could have happened in the Second World War and now comes up again, and is used for an excuse for the Workers Compensation Board to say no, that's not our responsibility, go to Veteran's Affairs or go somewhere else; go on welfare, it's not our responsibility.

I think that it is the responsibility of the Workers Compensation Board because this man I believe was injured while doing work in the Province of Manitoba, and possibly there was some connection with the war injury that happened years back, but I honestly don't believe that it's legitimate, I really don't believe it's legitimate to hold it against him.

Can the Honourable Minister comment?

HON. G. LECUYER: Well, perhaps I didn't catch all of the member's comments. If I, in replying, don't touch upon some of the essentials he was seeking information on, then he will certainly pursue the question.

The claimant that the member refers to, yes, indeed sustained an injury a long time ago and was, and I believe still is, receiving a 40 percent pension from DVA for an injury sustained during the war.

There was a work-related accident which was considered minor and not rateable. This accident was sustained in 1975, I believe. There was a period of temporary total disability. After that period of temporary total disability, under the previous board when he was considered rehabilitated, this disability temporary pension was discontinued.

In 1982, his claim was reviewed and he was provided with an administrative rating of 5 percent which was awarded to him. In addition, the board supplemented this rating by placing the claimant on full rehab benefits. So in that sense he continues to receive presently full compensation.

I believe the particular complaint of the individual is that that pension, which he is receiving a full pension, is not at a level which is satisfactory to him.

I have to advise the member that from that current standpoint, he is in the same situation as many other

individuals and that is because we are going back here to an injury of 1975 and the pensions are based on the salary which he was earning at the time of the injury. Obviously, if the accident were to occur today, the salary in the same job would be greater, but by the same token the member is aware that, at least under our government, the pensions have been reviewed, so some of the benefits might not be affected by what I was going to add here, but at least the pension benefits would be reviewed and augmented periodically every two years, for instance. I know that that has been the case since 1972, and while the members opposite were in government, it was occurring every two years and for some reason, there was a year skipped there during the previous administration, but at least there is some updated on the cost of living extent of the pension. The pension amount itself is based on the salaries' ceiling that was in effect at the time that the injury occurred. So it's still lower than it would be should the injury occur in the same job occupation today, but at least there is some measure of improvement in that pension over the years, at least from a cost of living standpoint.

The only thing that can be done to change that, of course, would be through an amendment of the Act and that may be forthcoming as part of the review, but I will not make such a presumption or create such interference for the committee, who are going to be charged for that review, so I expect it's one of the areas they'll be wanting to look at. In that particular respect, the claimant in question is being treated as all other claimants in the same situation.

MR. A. KOVNATS: I think the Minister and I agree on this, that you know his salary is paid on the rate that he made when his accident occurred, which was 10 years ago in this case; but his expenses are in 1984 and '85 dollars, so I think that something has to be done about, Mr. Minister, and I hope that all will be taken part in the review on the Workers Compensation Act that the Minister has promised us that will take place in the next year-and-a-half.

Although this chap I know is getting on in years, and you know, a year-and-a-half is a long long way away, but I think that if we can give him some encouragement that there will be something like this coming up, I think that could satisfy him somewhat. It's not going to put food on the table, but it's going to satisfy him somewhat.

The Minister made a remark concerning the Review Committee on The Workers Compensation Act which, I believe, was going to be one representative from labour and one representative from industry and a chairman. Has the Minister decided on how the chairman is going to be picked, or is the chairman going to be picked because he is agreeable to both the labour and the industry representative?

MR. CHAIRMAN: Mr. Minister.

HON. G. LECUYER: Thank you, Mr. Chairman.

I think that I probably even discussed that at too long a length yesterday, but I indicated that it's certainly, and that is what I'm in the process of doing, trying to establish contacts with the various provinces, as well as putting out feelers across the Province of Manitoba

to try and determine from a broad sector of society what individuals are viewed as being well qualified in the area of understanding compensation systems across the country and have some knowledge of the whole legal field that can be of assistance. I haven't made any pre-determined decisions in terms of who it should be. My only desire is that we get to obtain what can be viewed as the most credible and the most qualified person available at this present time.

MR. A. KOVNATS: I have made some remarks referring to some of the things that happened in Workers Compensation as political. I believe that some of it is political, and should be political. You are the government and do make your own decisions, and I could be critical of it, but I don't think I'm going to change it.

Now, before I get into some of the things that I think are political concerning this group of people that are assisting the workers, the workers advisors, and maybe we won't even get into that, but I know that there are some political things that are happening here. Why doesn't the Minister save himself an awful lot of problems and a lot of criticism somewhere in the future by inviting the opposition to help him in choosing the chairman of this Review Committee and in assist him in picking the industry and labour representatives that are going to serve on that committee. He'd save himself an awful lot of criticism and there could be some good input from this side. You know we are somewhat capable. We feel that we're capable enough to form the next government and that should be happening soon. When that happens, I think that we would be asking the Minister, who will probably be the official critic, to have some input into the choosing of these people. Can the Minister care to comment?

HON. G. LECUYER: The member creates a dilemma, because I have already on the insistence of the Member for St. Norbert yesterday indicated that I would not create any barriers or interference in the selection of the representatives of the employees and the employer groups, and I agree with the Member for St. Norbert on that particular standpoint.

I have written to a large number of groups representing the employees and the employers and I've asked them to consult among themselves in this regard and to suggest the names that they thought were the most appropriate. I know that they're in the process of doing that and I have no problem once they have suggested names to me, to advise the critic of that and I can do that, but I certainly feel that it would be inappropriate to say we will have a representative of the employee groups and a representative of the employer groups, and then interfere in the selection process of those representatives.

MR. A. KOVNATS: I didn't get an answer, but I guess I really wasn't expecting an answer, Mr. Minister.

There's a letter here and I'm not going to mention the name, but I will tell you that it's from Brandon. This letter from Brandon requests some assistance. The particular party, and I'm not going to say whether it was female or male, because then somebody might be able to put it together and I'm trying to keep it as secretive as I can, but give you as much information,

but keep it a secret. I think the honourable Minister knows which one I'm referring to now. I wish you hadn't made that face, Gerry. Anyway, I'll pass it on to you after, because there's a particular part of this that upsets me.

See what happened was that I supported the workers advisors. I thought that they're doing a good job and, you know, I wasn't prepared to make any decision as to whether they should be kept or changes made or anything like that. I just thought that they were doing a good job because I had met some of them. But I am advised that one worker advisor, in Brandon, recommended that this particular case be viewed again because of the circumstances and recommended that action be taken, that workers compensation be offered to this particular party, and that's the last that the party heard about it. That's the last that they heard. I think that there's got to be some appeal process, particularly when employees of the Minister's department, these workers advisors, make recommendations that these things be looked at and be corrected. What is the Minister going to say about that?

HON. G. LECUYER: Well, I will make a comment, but I will ask a question of the member that he advise what is the date of the letter, and that might explain a lot of things in that, as I have already indicated to the member, there is some backlog in the Worker Advisor Program, although that is, I understand, not the case in the Brandon area because, as I understand, the worker advisors have been able to assist, because the number of claimants seeking worker advisors' assistance, as everyone might well understand, is proportionately lower in that area.

I would expect certainly that if the claimant came to see the advisor for some assistance, and the advisor has indicated to that claimant that his case has merit to be pursued, he is in the process of pursuing that case and doing just that, probably reviewing the files and trying to determine how best to assist that particular claimant. So I would expect that his file is still very active. If it wasn't the case, I normally would expect that he would be so advised by the Worker Advisors Bureau.

So perhaps the date is fairly recent, and that might explain it. If it is not, then I will certainly, upon the member further drawing the case to my attention, follow the matter.

MR. A. KOVNATS: I'll settle for a copy of that letter, Mr. Minister, but just before I do, I would just like to read one part of it. I guess it's meant as a criticism, Mr. Minister, but maybe if it's accepted in the manner in which it's offered, then we can correct an injustice.

What it says here, it says: "I wrote to Len Evans in July, 1984, and he just passed my letter on to Mr. Lecuyer, WCB. He did absolutely nothing for me. He didn't even check with one of my doctors. I feel that Mr. Evans is not much of a leader when he just passes things on to someone else."

I think that there's got to be some responsibility here, Mr. Minister. When I say I pass it on as criticism, yes, but I don't think it's unreasonable criticism. I am not trying to show that the Minister and Mr. Evans, the Member for Brandon East, has no feelings towards

these people, but there has got to be some assistance to these people so they don't have to, as a last appeal, contact the Minister or their Member of the Legislature. That's what they're forced to do.

It's a matter of a right of appeal somewhere along the line. I'll get into the right of appeal if the Minister can advise what right of appeal do these people have when everything else has been taken away from them?

HON. G. LECUYER: I can recall that the Member for Brandon has referred a number of cases to my attention. I normally indicate to him, as I would indicate to anybody else from my colleagues or from the members from the opposition, that I cannot personally intervene in the adjudication process, but then I would go on in the reply to indicate to them what avenues are open. I would also copy, certainly in this particular case as I was copying down the letter, would not have replied directly, but would have sent a reply to the Member for Brandon, and would have advised him - now I recall that the member did give me that a couple of days ago. Unfortunately, it's in my office right now, yes.

I would certainly, having been copied on a letter like this, have replied to the member who's sent me the letter, and indicated the avenues open to the person who has sought help from him. In this particular case, I would generally have copied the Board as well. Normally what would occur then is the liaison officer of the Board would get directly in touch with the individual to indicate to him how he should proceed.

Now, I don't know what happened in this particular instance, and I shall endeavour to find out, but it could be that it was one of those that was lost in the shuffle. I would certainly have replied to the Member for Brandon when he communicated with me on this letter. I cannot tell the member what happened after that, but as I say I will endeavour to find out.

MADAM DEPUTY CHAIRMAN, M. Phillips: The Member for Lakeside.

MR. H. ENNS: Thank you, Madam Chairman.

Madam Chairperson, I raise another issue with the Minister, and it may well be that some of this information is available in the annual report' and I'm the first to confess my lack of total knowledge of what's all contained in the report.

I'd like to address the question of Workers Compensation opportunities available to the agricultural workers briefly. It's my understanding - it may be outdated - that agricultural workers can avail themselves to Workers Compensation protection if, by agreement with their employer, they pay the necessary premiums. The Minister is well aware of the fact that, regrettably, employment in the agricultural sector is all too high a risk factor with far too many accidents occurring in that scene.

Does the Minister have any information, in percentage terms, of the number of agricultural workers that are availing themselves of coverage as provided to them by the Workers Compensation Board.

HON. G. LECUYER: Certainly, I couldn't agree more with the member when he says that. I recall answering questions to that respect, providing that type of

information last year in this respect in terms of the far too frequent number of deaths that occur in the agricultural sector. The member can appreciate, being from the agricultural sector himself, that frequently on the farm - and I know that was the case with me, as my first job was on a farm when I was not even of age to be covered . . .

MR. H. ENNS: Where did you go wrong, Gerard? I mean, you had such a good start in life.

HON. G. LECUYER: . . . by compensation, even if it had been available at the time.

There are currently approximately 100 individuals covered by compensation from the agricultural sector: 73 from the general sector of agricultural; 6 in the area of dairy farming; 2 in the poultry farming; 13 in the area of stock and hog farms and cattle ranches or feedlots. So it is a very small number, and indeed coverage is available to the individual in the agricultural sectors.

In fact, I would endeavour to indicate to the member that perhaps it is opening an area that is worthwhile to draw to my attention. It may be worthwhile for us to make it more widely known that this is certainly available, and perhaps a great many more would want to avail themselves of that type of coverage.

It is on a voluntary basis, as the member well understands. From our standpoint in the area of workplace safety and health, we know that many of these accidents occur, and we have examples of the number of deaths that occurred last year and very frequently affect very young people who still don't have a good enough understanding of the dangers that so much of the equipment on farms can present, especially machines which have a lot of movable parts, combines, swathers, power takeoffs and things of this nature.

We have in the department, within the Division of Workplace Safety and Health, prepared a series of leaflets. I believe there are 10 of them. In fact, I distributed yesterday a copy of one of those leaflets that have just been recently revised. In fact, I should remember what the title of the series is, but it is directed specifically at agriculture. I think that one is entitled, "Farming in the Family," or something to that effect. So just to draw it to their attention.

I am advised, as well, that the Compensation Board has had a number of meetings with farm worker associations to let them know that this service is available to farmers and maybe we can do something about spreading the message further.

MR. H. ENNS: Madam Chairman, I'm encouraged by the Minister's obvious concern in this area, and I'm sure that he, like I, would be the first to acknowledge that roughly a hundred individuals currently availing themselves of this important protection is a very small number. I know, and the Minister knows, that part of the problem is, of course, of the nature of farming. I'm assuming that the prohibition of the employer to be covered is part of the problem. If I'm wrong, then perhaps correct me. But, that would be my understanding of The Workers Compensation Act at this point in time. Can the individual farmer who is farming this land take out coverage on his own behalf?

HON. G. LECUYER: Yes, Madam Chairman, that is possible.

MR. H. ENNS: Well, I'm delighted to hear that and, Madam Chairman, I'm the last person on this side that will want to encourage this government to yet add to their advertising bill generally that they impose on the taxpayers of Manitoba. But I will be prepared to make a deal with this Minister and this department, I mean, just maybe for the cost of one or two less ads that are running, currently running on the CBC and all the television stations on Limestone, or one or two fewer green and white Jobs Fund ads that sprinkle the countryside, be reallocated to this department to help what the Minister and the department - and I'm sure the board - acknowledge as a shortcoming at this particular time; that is, that we're not reaching out to some 15,000 - 16,000 farmers who are listed as active farmers and, indeed, considerably more; that could come to 30,000 and 40,000 people who are engaged in some form of agriculture to avail themselves of this service.

It's tragic when accidents occur on the farm and all too often because, again, of the nature of the employment, there very often are no unemployment insurance benefits, no Workers Compensation benefits and the party is in real difficulty trying to bridge that period of time where he is disabled as a result of an accident to the point in time where he can resume his normal work activity.

I would want to encourage the Minister that a greater effort ought to be directed on behalf of the board. I would encourage them to broaden their activities in terms of meeting with farm people and various farm groups. They have more administrative capacity now, as we learned the other day, to perhaps undertake a greater education program among the farm sector, but certainly I know that this Minister and any other Minister responsible for the Workers Compensation Board would like to be able to a year from now or two years from now, say that there were 1,000 or 2,000 or 3,000 people availing themselves of this important protection.

Madam Chairman, I throw out one more suggestion while I'm on my feet. Again, perhaps because of the nature of farming and the nature of employment, that we have to look at the mechanics of how a farmer or a farm worker can avail himself of this coverage, not being as structured as the industrial worker in the sense that you have a regular payroll office and you've got personnel managers that do the payroll and the necessary paperwork that then are readily assessed by the Workers Compensation Board on the basis of a payroll, classification, the nature of the industry, cheque automatically goes to the Workers Compensation Board at the end of every month or whatever the arrangements now call for, and the protection is provided.

Is it possible, Mr. Minister, to consider, or to ask your board to consider, what can be changed mechanically to make it easier for the agricultural community to avail themselves of this service? Can there be, for instance, some lump payment arrived at by the farmer that he puts in on an annual basis to the board at the time that he does his income tax if he wishes to avail himself of this service where he knows that he has a certain

labour component that may not always be the same person?

Madam Chairman, I'm just thinking aloud - but obviously whatever we're doing right now is not reaching out to significant workers in Manitoba, and I'm referring to agricultural workers. I think it'll be worthwhile for the Minister, for the board, to review, to examine why it is that only a hundred people have availed themselves of this valuable protection and what can be done to enlarge it.

HON. G. LECUYER: As I was listening to the Member for Lakeside making suggestions, I was exchanging a few comments with the staff here, two immediate methods or approaches come to mind. One of those routes has been pursued in the past and I can give as an example, that the board participates in a variety of trade shows and stuff like that.

For instance, right now - I don't know if the Member has gone to visit the Winnipeg Chamber of Commerce Business Show on the third floor at the Convention Centre which is presently going on. The Workers Compensation Board has a booth there and has, for instance, participated in the Truckers' Association Trade Show in the same manner, and we were just raising the possibility here — (Interjection) — I was just raising exactly that point here, for instance, to have it present at the Brandon Winter Fair would be useful.

The board has in the past sent out information to farmers through the regular mailings that the Department of Agriculture sends out and that reaches a fairly wide sector of the farming community, and perhaps it's something that we can go on repeating in the coming year.

As well, I want to indicate to the member that, within the division of Workplace Safety and Health, we presently have one education officer whose full-time responsibilities are devoted to the agricultural community, and he participates in many, many summer small town fairs and agricultural exhibitions, etc. So, perhaps, through the Workplace Safety and Health, we can have him included in those various fairs and exhibitions to make some information available to the numerous farmers that go by the booth of the Workplace Safety and Health area.

We certainly are not two separate entities in this sense, that Workplace Safety and Health's primary mandate is to try and avoid occupational accidents and illnesses and the board is in a situation that it has to sort of come in after the fact to pay the costs, so our efforts are very similar, very related. I certainly will bring this idea forth to the Workplace Safety and Division to include some of the board's pamphlets to inform the farmers that they can avail themselves of voluntary coverage through the Workers Compensation Board.

MR. H. ENNS: I thank the Minister for that information. I don't want to prolong this matter, but I am pleased that the activity of the board is as he describes. It would suggest to me that they are in fact doing just about everything right in their attempt to reach out to the farm community in offering this service; though it does seem to underline the other part of my suggestion or question to the Minister, that there obviously is something mechanically wrong about making it effective

in getting increasing numbers of farm workers covered under Workers Compensation.

I was not, I confess, as aware of the board's activity. I am pleased that they had a presence at such places as the Brandon Fair and other trade shows that the Minister mentions, that you are sending out material through the Department of Agriculture. I think it's a good idea that the Minister just expressed that you should include the workers compensation pamphlets with your Workplace Health and Safety people that are assigned particularly to the agricultural community.

But having done all that, and I know the Minister will agree with me, covering only 100 workers, I am sure, is not good enough for the Minister, is not good enough for me, or the board. I would encourage the Minister then maybe to look at some perhaps fairly innovative ways of changing the mechanics that enables farm workers to avail themselves of the protection of the Workers Compensation Board.

HON. G. LECUYER: I certainly accept the suggestions.

MADAM DEPUTY CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: I would like to make some reference to Limestone and the association with workers compensation. It's not that I am picking something out of the air, Mr. Minister; it's something that I wanted to show the association with Limestone, particularly with the training of Northern Natives.

I spoke very highly of that program when it was discussed here in the House and I do support that program. But there is a danger, and it's a danger to some of these people that will be involved in the training program. That scares me because, you know, not that they are little children, but they have not had access to the work world around other than on their own reservation and places like that, and here we are training them to be working with heavy industrial equipment and things of that nature that do pose a real problem to them.

I was wondering whether the Minister can advise if there is a training program not just training them for their job but training them for their safety in the workplace. This is most important whether we are going to be training them for jobs and training them for safety in the workplace.

We are rushing into the project and I just make reference to it. I am not trying to make a political point, but we are getting into this program in a big hurry. One side has said maybe we should take it easy and not proceed so quickly; it's a good program but don't proceed so quickly. The other side says we have to proceed because of whatever reason. Let's not get into the political reason of it, but we are proceeding very very quickly.

Have contracts with the people that are going to be in the northern part, that are going to be doing the work up North, are in these contracts some safety factors for the workers compensation? Will the contractors be responsible for - well, let's say self-insured - or will it all go through Manitoba Hydro, or will it be affected by the whole of all of the people of the Province of Manitoba through workers compensation?

What are we doing to protect small businesses throughout the province? Because if there are heavy claims these businesses will have to pay increased costs in future years. What are we doing to ensure that the claims that will take place? I fear that there will be many many claims taking place; there has just got to be many claims taking place up there because these people have not been trained in the safety factors yet. I know that there are some problems and that they will be trained in safety factors, because I just can't believe that we would train them to do the job and not train them in safety factors too.

Can the Honourable Minister reply to those remarks?

HON. G. LECUYER: Certainly, I would be very leery of a project like that going on without doing some of the things that the member is suggesting. There have been discussions already with the staff in the Workplace Safety and Health Division who have raised that concern with me already, and so have the members of the board. In fact, the board has already raised this question with me with a view to having someone on staff present on the site to assist with claims that should arise.

Now on the Workplace Safety and Health side, as part of the amendments that were brought forth to the act last - well, now we are talking about almost two years ago. They were through the implementation over the course of all of last year. But one of the provisions in that act, for instance, is directed to the construction industry and requires, for instance, every two weeks the foreman or contractors or the employer to spend - I forget if it's 15 or 30 minutes - I believe it's 30 minutes every two weeks - spending time with the employees, instructing them in safe procedures in doing their work.

We will further have staff from the Workplace Safety and Health Division on site to assist in instructing workers in the proper methods of doing work and ensuring that the safeguards and the proper protective equipment and gear is worn so that we can avoid the high incidence of accidents that have been characteristic of such projects in the past.

We are in a different age; we have provisions already in the act to ensure that the workers will not be required to undertake jobs without sufficient training, and we will further ensure that the employers do provide that instruction. We have, I believe it's roughly some 50 small - I don't know what I would call them - I was going to use the word "pamphlets" but that doesn't really describe it - kits that are intended to assist the employers in instructing their workers in the proper protective measures to take in the construction industries. We will make these available to the construction industry, as it is already, so that they assist the workers so that the high incidence of accidents that we know can occur in that type of industry can be reduced.

MR. A. KOVNATS: Mr. Minister, I want these people who are taking the training right now, who have been rushed into this training right now, to have sufficient protection and training in workplace safety.

What I was asking was: Is there anything in place right now while they are receiving their training? I believe that there is quite a group of Northern Natives,

particularly, that are receiving training up in Thompson right now, have been rushed right into it because we are proceeding like "damn the torpedoes, full speed ahead." Is there anything in place right now; is there anybody training them in safety on the workplace right now even while they are taking training on how to do the job? They are not into the workplace as yet, but are we training them right now so that when they get into the workplace they will be ready?

HON. G. LECUYER: As far as I know, the training hasn't begun yet; it is about to begin soon and, yes, that will be something that will occur as part of that training.

MR. A. KOVNATS: Can I ask the Minister: Has the training not begun because we have rushed into the project and we are not prepared?

HON. G. LECUYER: As far as I know, it's about to begin but hasn't yet.

MR. A. KOVNATS: I guess I still don't have the answer.

A MEMBER: You just got the answer; you just don't like it.

MR. A. KOVNATS: Well, it's not that I don't like it, and I am not going to get into an argument. It's not just at that point. I am trying to prove a point that we have rushed into this project a little faster than maybe we should have.

HON. V. SCHROEDER: What about Limestone then?

MR. A. KOVNATS: I know I have the floor, Madam Chairman, but I just thought I would let the Minister of Finance, who I just sent a cheque to yesterday - I want you to keep your eye open, because it's on . . .

HON. V. SCHROEDER: Abe, I don't have it yet.

MADAM DEPUTY CHAIRMAN: Order.

MR. A. KOVNATS: No, I have to relicense my truck, because I have to get out to the farm. So you can keep your eye open for that licence and . . .

HON. V. SCHROEDER: People keep telling me, it's in the mail.

MR. A. KOVNATS: No, really. Well these are the two biggest things that people don't believe, you know, the two biggest untruths. One of them is that the cheque is in the mail, and the other one is that I'm from the New Democratic Party Government and I'm here to help you.

HON. V. SCHROEDER: I'm a Tory, and it's not going to hurt - that's another.

MADAM DEPUTY CHAIRMAN: Order. I thought it was, I'll still love you in the morning.

MR. A. KOVNATS: That's the third one, but I wasn't going to get into it. I thought I would just prove my

point on the New Democratic Party Government, Madam Chairman.

Anyway, I think why I brought it up was that I just don't want to see anything happen to these people. It's a good project to train northern Natives. I have supported it right from the start. I don't want to reflect on it later on and say, my goodness, what did I allow these people to get into? I want them properly prepared. I want them properly trained when they get into the workplace. That was the reason for it.

I think it was unjust criticism from the Minister of Finance to make those remarks to me about it, because it really was with feeling from the heart which some of the people on that side, particularly the Minister of Finance, doesn't have. But I do have feelings for these people, and I would hope that the Honourable Minister would take that as a remark, and possibly rush into the program a little faster than what has been anticipated. It's all for the good of those northern Natives. I would like to see that done as quickly as possible, not just talked about, Mr. Minister. Because sometimes the New Democratic Party Government is a little bit slow and sometimes they're a little bit fast, a little bit too fast particularly with this project because they're not really prepared for it; a little bit slow in their review on The Workers Compensation Act because that won't take place for another year and a half; a little slow in the developing of sites for recycling PCBs and hazardous materials. It's three years away.

The only thing that I would like to do at this point, Mr. Minister, and I don't have too much more and I'm trying to complete it by 4:30, because I think that would be a legitimate time, is that the Honourable Member for Thompson keeps inquiring about that aluminum plant - you know, why not build it up in Thompson? - and things of that nature? Does the Honourable Member for Thompson has to have a recycling plant located in the Thompson area?

HON. G. LECUYER: Two comments, one of them is I have to advise the member and again repeat some of the things that have been done in the area of Workplace Safety and Health. You know, the changes to the act are very firm commitments, and I also have to tell the member that this Minister, and I know the previous Minister as well, very much makes it a commitment and almost a crusade to reduce the occupational illness and accidents.

I have given the member a commitment to the effect that there will be, as part of that training, services or assistance provided in order to assist the people who are trained to work on this major project to become more aware and better trained in the area of protecting themselves from injuries or certainly unnecessary injury.

Now as far as the recycling question from the Member for Thompson, he has been very persistent and on this Minister's back on that particular issue on numerous occasions already. As I indicated as part of my opening remarks, we are in the process of hiring a person whose primary responsibility will have to do with recycling. Hopefully, we can achieve some new initiatives in the area of recycling not only as part of the efforts of that individual, but he will be working as part of the overall unit of hazardous goods. I expect that we will see changes.

MADAM DEPUTY CHAIRMAN: Minister's Salary—pass.

Resolution No. 63: Resolved that there be granted to Her Majesty a sum not exceeding \$1,347,800 for Environment and Workplace Safety and Health, Administration and Finance, for the fiscal year ending the 31st day of March, 1986—pass.

What's the will of the committee? We have two minutes until 4:30. The time being 4:30, time for Private Members' Hour.

Call in the Speaker.

IN SESSION PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. The time is 4:30.

MR. SPEAKER: The first item on the agenda for this day is the proposed motion of the Honourable Member for River East, Bill No. 20, standing in the name of the Honourable Member for La Verendrye.

MR. R. BANMAN: Stand.

MR. SPEAKER: Stand.

RES. NO. 2 - ABOLITION OF THE SENATE

MR. SPEAKER: Resolution No. 2, the Honourable Member for Inkster has 15 minutes remaining.

MR. D. SCOTT: Thank you, Mr. Speaker.

Last day in my brief comments, I had a chance to entertain some general thoughts on the role of the Senate. The idea of an elected Senate versus an appointed Senate was introduced. Mr. Speaker, I've had some time since then to do some reading, some more thought primarily into the role the Senate has had. I think it's worthwhile today in my 15 minutes to take a look at a bit of the history of the role of the Senate.

Back when Canada was founded in 1867, in the debates that went on at the time in regard to the Senate, it was seen that the Senate would protect what were called, in Sir John A. Macdonald's words, the sectional interests of the country. These sectional interests we now refer to usually as regional interests and they represented in one group, the linguistic duality of the country. What was essentially a religious duality of the country as well in the regional representation as was represented at the time by the Maritime provinces, the Province of Ontario and the Province of Quebec. Each were to have equal representation in this House and if one refers to a statement of the great proponent of the day, Mr. George Brown, one of the Fathers of Confederation, the great proponent of representation by population. Because we must remember that prior to this in the Old House of Canada, prior to Confederation, Canada was divided into Upper and Lower Canada, you had representation not on the basis of population; but as soon as Ontario's population grew, it became larger than Quebec's, then Ontario started a hue and cry for representation by population, led largely by George Brown. And George Brown at the time said, "Our Lower Canada friends have agreed to give us representation by population in the Lower

House, in the House of Commons, on the express condition that they could have equality in the Upper House, on no other condition could we have advanced a step."

So to recognize that back when Canada was being founded, in 1867, actually this was taking place 1864 to 1867 — (Interjection) — I don't know the month, for the Member for Seven Oaks' information, but it was very clear that there was a use and a requirement to even have Canada founded that the interests of the Francophone minority in the country at the time, must be protected. At the same time, the interests of the Maritime provinces were to be protected and also that of what was in Upper Canada became the dominant province of the country of Ontario.

So we have an interesting basis for the history of the Senate in the country and a question we have to ask ourselves now, is that role still valid? Without having had the Senate as part of the package in the establishment of Canada, we would not have had Canada. That's very clear. The nation would not have been created when it did; what would have evolved later on, heaven knows. But the government and the people of Quebec were certainly not willing to give up what was, in effect, their equal status with the Province of Ontario and surrender that to a Lower House elected from Nova Scotia to Ontario.

The evolution of the Senate from that time, has evolved quite a bit. Originally, they had a veto power. Veto power was withdrawn and it basically became just a house where it could delay and I think they were allowed to delay bills twice; the last time that that was used, the last time the Senate rejected a Bill from the House of Commons was in 1961. Interestingly, once again, you had a Conservative federal government; a Senate, the largest number of members I'm sure at the time, would have been Liberal members of the Senate once again. So you had an imbalance between a massive majority in the House of Commons and a majority of an opposite party in the Senate; obvious case for friction, the same as we've had for the first time since then, just this past few months since the new Mulroney government has been elected in Ottawa. So since then, since '61 that power has not been used.

And the Senate has basically evolved into a study centre. Many amendments are proposed by the Senate. They have, I believe, a suspensive power of up to, I think it's 120 days now - I may be somewhat off on that. So we've had the basic guts of the Senate, the power of the Senate removed. We now have a Senate that has lost its essence of power. I would argue that it has as well, lost the power it had of regional representation. Regional representation today is seldom used as an excuse to maintain the Senate. I do not know and I do not think necessarily that it is not still a valid reason for us having a Senate. But the value of the Senate certainly has decreased. And the role of the Senate has decreased along with that.

Now we have the Government of Canada making proposals just a week or two ago to significantly amend the Constitution of Canada, by, in effect, destroying even that little bit of power that the Senate has left to take it down so that a monetary bill, if I may quote from the legislation, is any bill that a certificate of the Speaker of the House of Commons - excuse me, in Section 54(2) a Money Bill means a public Bill that in

the opinion of the Speaker of the House of Commons, contains only provisions dealing with the following: (a) the imposition, repeal, remission, alteration or regulation of taxation; (b) the imposition for the payment of debt, or the financial purposes of charges on the consolidated revenue fund or on money provided by parliament, or the variation or repeal of such charges; (c) of supply; (d) the appropriation, receipt, custody or issue of public money; (e) the raising or guarantee of any loan or the repayment thereof; or (f) a cover-all clause, subordinate matters related to any of the matters set out in paragraphs (a) to (d). That's incredibly broad.

Any bills that are still left, that are considered as non-monetary Bills, they only have a suspensive power of 45 days. If they do exercise that suspensive of 45 days, if the House of Commons does not even entertain the debate to pass or to defeat the amendments as proposed by the Senate, in 15 days, the original bill is automatically passed.

So, in effect, what Mulroney has done in his proposal for a change to the Canadian Constitution, is he has already killed the Senate of Canada. It has no effective power. It's so weak presently, but in this new form it's even weaker to have any legitimacy to a claim of regional representation.

So, Mr. Speaker, we still have a House of Patronage. By the way, it's interesting to note that since the Prime Minister offered in the House of Commons, in sincerity we hope, as we expect our Prime Minister to speak with sincerity - when you offer it to the Leader of the Opposition, Mr. Turner, to abolish right there and then the Senate, he has now appointed five new senators since he offered to abolish it. — (Interjection) —

A MEMBER: How many?

MR. D. SCOTT: Five. Now he has come up with this resolution - not resolution but an amendment to the Constitution of Canada - which I think is an insult not only to the Senate, it is an insult to the people of Canada and especially to the House of Commons.

If one looks at the Senate of other jurisdictions, in the United States, originally the House of Representatives had more power. Their Senate was appointed by the States and then about 100 years after their foundation, it evolved into an elected Senate. Almost overnight the Senate became the dominant power in that legislative process. Sweden has abolished the Senate about 10 years ago and it's got into a unicameral system. It's working very effectively for them.

They're looking at one of the alternatives that Mr. Crosbie entertained in which Alberta proposed earlier and has now withdrawn is this idea of provincial appointments. That, Mr. Speaker, I think, would be by far the most harmful thing that could ever come from any reform of the Senate. For the Senate to be captive, partially or wholly, to political appointments from the various governments across the country, the Provincial Governments. I think that would be by far the most divisive move we ever had. We now have something I call and feel is really farcical and that is our First Ministers' Conferences that go on biannually and sometimes annually. They're nothing more than a media show. They're a show for the various provinces to get up and damn the Federal Government or damn one

another in their various interests. I think it has proved itself to be more and more an exercise in futility. It certainly has not paved any great roads towards the country maturing as a country, coming together somewhat more, and for the Provincial Governments to participate with the Government of Canada in an honest way towards making improvements overall in the country. I think that, if they were held perhaps more in closed session so they could get some honest and frank discussions rather than all the political posturing that goes on, it would be much better off. But I think the system that is now set up in the new evolution of a new thing of First Minister's Conferences has probably done us more harm than good.

What would happen in this system with provincially-appointed members of the Senate after an election? We just had three different provincial elections. In the past little while, Ontario has gone, the Yukon has gone, Newfoundland has gone. There is certainly a big change around in what's happened in Ontario. The Yukon has transferred. Does that mean that the senators, if they were appointed by the various provinces and the territories, that they would automatically cancel those senators and appoint new ones? The Senate would be removed even from a body of study at that point in time. It would be nothing more than a body of chaos with revolving doors of people coming in and out at the whim and will of the Provincial Governments, and we would not, I'm sure, as a province and a New Democratic Administration, want to be hog tied with four or six senators appointed by the previous Lyon Administration to be carrying forward any kind of a regional message for us to the Governor of Canada. I'm sure the members opposite would have felt the same way when they were in office if they would have had senators appointed by the previous NDP Administration under His Excellency, Mr. Schreyer, to have had appointed a group of NDP senators there. The whole idea of provincial appointment of senators, I think, would be nothing more than fractious. It would be an abuse of an already maligned Chamber and a relatively ineffective Chamber.

There has been talk of special status groups being represented, and I think that is wrong.

Mr. Speaker, in the few minutes I have left, I want to put a few comments on the record in regard to the effectiveness, I guess, of a potential new Senate. If we were to have a new Senate, the only way I could go along with it would be if it was elected, but I cannot understand, and the difficulty I have - and I don't just want to throw out the Senate as our resolution proposes without having some good discussion on the implications of that, of the benefits and the liabilities of it. I don't know if there are any benefits. I know there are an awful lot of liabilities if we continue with the present system.

I recognize, and know as well, that an elected Senate done as they are proposed as a first past the post electoral system again, would not necessarily be very beneficial as well. The idea without having proportional representation, I think, would be very grave. I don't think it would have a decent representation across the country on a first past the post system again as much as it would be with proportional representation. On that point, I think far better than reforming a Senate, that we are probably better off with abolishing a Senate

and introducing proportional representation in our election of the House of Commons; we'd have a more balanced approach and a more balanced representation of the political interests of the people across the country.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Order please. Does the honourable member have leave to continue?

Are you ready for the question?

The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, I would indicate, first of all, that I cannot support the resolution that is before us; not, Mr. Speaker, because I don't think that reform of the Senate should not proceed. I think there has to be reform of the existing Senate, but I don't believe that abolition of the Senate is the solution. I'm a little disappointed, Mr. Speaker, in the position that this government has taken as a government, that they have refused to participate in the Senate reform that has begun by the Federal Government, refused to participate in any way. There is no question, Mr. Speaker, there is a problem and, if you're not part of the solution, you're part of the problem too, and this government is part of the problem if they're not going to participate on improving the Senate as we now know it.

It's interesting, Mr. Speaker. My fundamental belief on the Senate is that we should have a reformed Senate that will adequately protect the regional interest in this country, Mr. Speaker, and it's interesting today, particularly, that we have had the First Minister return from the Western Premier's Conference in Alberta and he told us today in a statement to the Legislature that he agreed with the other Western Premiers on a number of important statements in the areas of investment, tax reform, interest rates, agriculture, transportation, free trade and trade negotiations, and that's good.

The Western Premiers' Conferences have been important forms for a number of years where the Western Premiers have had an opportunity, not to just speak as individual premiers of the Western provinces, but to speak as a group with respect to the matters of interest to the Western Provinces, Mr. Speaker, and as a group where they agree on a position, they are able to make a strong argument to whoever the existing Federal Government is. It's an example, Mr. Speaker, of how it is necessary in this Confederation that we have that regional interest be injected into the national discussions.

Let's remember that up until the past Federal Election we had a Liberal Government in power for almost 20 years without having virtually any representation to speak of during those 20 years by Liberal Members from the Western Provinces in that government. The majority of elected representatives in the Western Provinces have been members of the Conservative Party or the New Democratic Party, but, Mr. Speaker, during those 20 years everyone will recall that there developed - and there has developed throughout the whole history of Canada, I think in the West - real concerns that Western interests were not being protected, were not being dealt with fairly and properly by Federal Governments in power and those concerns were continually expressed during this past 20 years of Liberal rule, where obviously the vast majority of

the members of the House of Commons are elected in the larger provinces of Ontario and Quebec, and the interests of smaller provinces like Manitoba and Saskatchewan and the eastern provinces simply don't have the voting strength or the power, Mr. Speaker, to ensure that, in our case, western interests are dealt with properly.

Now, Mr. Speaker, in the Confederation debates, and the Member for Inkster referred in part, but Sir John A. Macdonald said, that in order to protect local interests and to prevent sectional jealousies, it was found requisite that the three great divisions into which British North America is separated should be represented in the Upper House on the principle of equality. They went on, Mr. Speaker, to discuss that concept. I think that principle and that concept are as important today as it was then when our country was formed.

My proposal, if I can be allowed to present one, Mr. Speaker, and for a number of years while we were in government and for about three of those years, Senate reform was one of the issues of constitutional discussion. There was report upon report upon report and all types of suggestions made for reform of the Senate. Regrettably, none were ever agreed upon.

But I think really in the past few years with two reports from the Senate itself on Senate reform, led by the former Premier of this province, a great leader in this province, Mr. Speaker, and one who is still serving the people of Manitoba and the people of Canada in the Federal Cabinet, the Honourable Duff Roblin, his concept for which he fought for a number of years and spoke for every opportunity he had in favour of an elected Senate is, I think, one that would gain the support of a majority of the people of Canada now. I would certainly agree with the proposal that rather than an appointed Senate, we have an elected Senate.

There was one point certainly during the constitutional discussions when there appeared to be some support for, at least as a change, as an improvement, Provincial Governments appointing half of the senators from a province and the Federal Government appointing the other half. But I think now, Mr. Speaker, the concept of an elected Senate is one that I would prefer.

Although there have been various numbers suggested to be the proper number of senators to be elected from a province, a number of the proposals would indicate that Ontario and Quebec should get slightly higher numbers than the other provinces. I would disagree with that, Mr. Speaker. I think that the Senate should be elected and have equal number of senators from each province, somewhere in the range of - I would think it could go in the range of five to eight members per province.

I say that it should be equal, Mr. Speaker, because I think that is consistent with the principle upon which I believe the Senate should be based and that is to represent regional interests.

I'm not saying, Mr. Speaker, that existing members of the House of Commons do not attempt to represent their particular regions, but I think there is more room for a senator elected from a province. I don't foresee the same type of party affiliation that we now have in the House of Commons carrying over to the Senate. In a situation where we have more of an independent elected member than one bound by party and caucus

solidarity, one would be more independent to speak out on behalf of his region rather than to represent a particular political philosophy.

Of course, everyone who will be elected will obviously be involved to some extent in politics and have some political philosophy, but I think in the Senate we should be looking at a body that is more composed of people who will represent their region on an independent basis.

There are suggestions made, Mr. Speaker, as to the term. There are suggestions made that members should be elected at the same time as a provincial election or at the same time as a federal election. I'm open certainly to changing my mind on the basis of any criticism or concerns, but I would argue in the first instance that the Senate should be elected for a specific period of time, that there should be regular elections every four or five years to re-elect the members of the Senate and not have those elections and the interests in those elections deflected by provincial elections or by other federal elections. So the proposal I would make is that they be elected, an equal number from each province in Canada, and elected for specific periods of time, Mr. Speaker.

We then, of course, must go on - there certainly isn't time to discuss it in any detail - but to discuss what powers the Senate should have. I don't believe that they should have a veto. It would be a suspensive veto in my mind for a certain period of time with the House of Commons having the right, by a majority, to overrule any suspensive veto, particularly on a money bill at any time.

One area, Mr. Speaker, that I think a Senate should become involved in would be, on the basis that the Senate should be primarily there to protect regional interest, the ability to perhaps call before committees of the Senate various federal agencies and Crown corporations to ensure that those agencies and Crown corporations are being conducted and carried on in a manner that is sensitive to regional interest.

That certainly has been a concern, Mr. Speaker, that I have heard expressed from all parts of this country over various commissions and agencies, whether it be the CRTC or the CTC or the operation of the CBC or the operation of Air Canada or whatever it be, that they tend to concentrate more on the areas where the greatest number of electors live. Various concerns have been expressed from time to time that they simply aren't sensitive enough to the various regions and interests in this country.

I would, therefore, argue particularly that the Senate should have that ability to call various of the Crown agencies and corporations before committees to examine their operations, particularly as they pertain to regional interest, Mr. Speaker.

Members will have various ideas, but I think that this opportunity of Senate reform should be acted upon now. The timing is right. The Federal Government is taking some initiatives. They have indicated, as far as I know, that they're open to discussion on Senate reform for the next two or three years. It's an opportunity for the provinces to participate and make a fundamental decision.

I would say certainly that, if there is not going to be any reform of the Senate, if it's going to be allowed to continue in the same manner as it is now and **has** been operating for the past number of years, it **is** a

luxury that Canadians cannot afford. But if we can improve the Senate, if we can make it representative of regional interest, if it can become in our national institutions a body concerned with protecting regional interests, then I believe it's worthwhile to continue with an improved Senate. I would not support continuation without change, of the existing Senate, Mr. Speaker.

I would ask the government, particularly in the light of the statement today from the Premier and the Western Premiers' Conference, where the Premier of this province obviously on the one hand believes that the meetings and decisions arrived at by the Western Premiers are important. They have been forwarded to the Federal Government as expressions of unanimous concern from the western provinces. Obviously the Premier of Manitoba believes and should believe that this region of Western Canada and the concerns expressed by the Premiers at this conference are important and should be properly considered by the Federal Government when they are making decisions in these areas.

Now what happens, Mr. Speaker, if a Federal Government, of whatever political stripe, say, look, we're not that much concerned with Western Canada and the issues you've raised because the points you've taken on these issues would reflect adversely on, let's say, manufacturing in Ontario and Quebec and that's where all the voters are and we need those voters to form a government and we can form a government, even if we don't get a seat in Western Canada. That's what the Liberals did for almost 20 years. Who is going to protect the important and, in some cases, urgent concerns of the western provinces with regard to proper representation in national policies that are decided upon. There will be no one, Mr. Speaker, and that's why I think the position taken by the government to date on abolition of the Senate, is not really protecting the legitimate interests of Manitoba and of Western Canada.

I think this government should get involved in the discussions and make an honest effort to come up with developed reform to the Senate which will protect regional interests in Manitoba and Western Canada. If those discussions cannot conclude in any satisfactory reform and there's no possibility of agreement, then fine, abolish the Senate, as far as I'm concerned. But let's participate in the discussion and let's make a sincere attempt to improve the Senate so that, in the future, we do have a national institution in this country that will protect regional interests.

The time is ripe, Mr. Speaker. The agenda for discussion of Senate reform has been taken. Give it two or three years; I think it can be done; I think there's a feeling across the country that it has to be done. I don't think the answer to our problem is to abolish the Senate. I think the action that should be taken now is to participate in the discussions to see if we can improve the operation of the Senate so that it would in the future protect Manitoba and Western Canada and if we can't do that, fine, abolish it. But let's be part of the solution and not part of the problem.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: One of the difficulties faced by members in discussing this issue on occasion is the

question of name. That is, there's this concept that a Senate is a Senate is a Senate, and the member says, I would like a Senate that has a number of criteria: it would be elected, it would be representative of the regions, it would be a fixed term, something . . .

A MEMBER: A Senate by any other name would smell as bad.

HON. V. SCHROEDER: That kind of a Senate is not a Senate in the way we know the Senate today. What we have today is, as opposed to that kind of a Senate, a house of patronage. There is no more resemblance between today's house of patronage and tomorrow's Senate that the Member for St. Norbert talks about, than there was between the family compact and the responsible government that later on took over in Canada.

Both of them were governments; one representative, one not. Even when the family compact which ruled in Upper and Lower Canada - what is it? - the chateau clique and the family compact, when they had ended their usefulness, they were eliminated. The bodies were eliminated and responsible government was brought forth.

People didn't say, well, we've got to keep the family compact; we've got to keep the chateau clique and we've got to figure out how to develop a new job description for these people. It was decided that that was not the way to govern this country. They were eliminated. New bodies, responsible government, responsible bodies responsible to the people were brought into place.

Now if we want the kind of house of the provinces that the members opposite suggest, some of them suggest they want, and I think there would probably be the occasional member on this side who might say that's not a bad idea, that's open for discussion; but that's not something that we have in Ottawa now. What we have is simply a house of patronage that does not do the job the Member for St. Norbert and other people say they would want a house of the provinces to do. We have before Parliament today a resolution which, if enacted, would give those very same senators even less opportunity to be a house of the provinces representing provincial interests, than they have right now.

Does it make sense for those who say they support a house-of-the-provinces concept to be supporting the emasculation of the current operations down there? I say it doesn't. It doesn't make any sense. Here we are, busy in Ottawa passing legislation which will emasculate the Senate which some people on the other side think can be turned into a house of the provinces. Who are you kidding? If you think that's where you want to get at, then what you will say is, let's abolish this bunch, let's abolish this institution and then we start talking about how we balance the interests of the regions of this country. Balancing the interests of the regions of this country is something that all of us, every one of the 57 of us are concerned with and every one of our MPs. But can you honestly say that there has been a balancing act performed by Paul Yuzik or by Doug Everett - fine man - but I say to you that these people have done nothing to represent the interests of the

people of Manitoba in Ottawa and I don't think they were expected to when they were sent there. They were sent there simply as a reward for good service in the past and they're expected, when they're down there, of course, to toe the party line.

In fact, during our spring campaign, occasionally when I was talking with people in my constituency — (Interjection) — Well, I haven't told them the date yet. I asked my constituents, do you know Paul Yuzyk? Do you know Douglas Everett? Do you know some of these people who are in Ottawa there, have been in Ottawa for decades representing you at \$60,000 a year? Do you know anything that they have ever done for our community, for our province, for any interest group you're involved with for our region? They didn't know who these people were. I told them how to apply for the job. I told them what you have to do. First of all, you have to be at least 30 years of age. I think all of us in the House here qualify excepting possibly for young Steve. — (Interjection) — You have to be 30 years of age. Now you have to have real property - is it real property or can you have personal property - worth \$4,000.00. Well, you might have to buy a lot in the R.M. of Springfield or something, one that isn't zoned for housing, of course. — (Interjection) — Certainly, a pre-arranged funeral plot would be just fine. Now, there you are.

You then contract your Prime Minister. This is not something that any of us have anything to do with. Probably, you'll stand more likelihood of getting a call back from the Prime Minister if he thinks that if he doesn't do it, he could have some problems with you.

We've had some people appointed to the Senate because it was convenient. There was a reshuffling of priorities by a government. The classic example would be Senator Guay. He was a Cabinet Minister in the Liberal Government. It was convenient to get another Cabinet Minister instead of Senator Guay, so he became Senator instead of Joe and it worked not too badly. I don't criticize him. I say that none of the Manitoba Senators of whom I am aware have done anything in terms of representing us in a regional fashion in the way that I would expect someone to represent us even if there was some kind of a House of the provinces. I say this Senate has not worked excepting for its ability to take care of people in the particular political party in power who are in a bit of an awkward position - maybe between jobs, maybe bothering somebody, maybe in the way, and they might be capable people; I don't take away from their abilities - but I don't think that is the way we determine who makes decisions for us in a democracy. That surely is the issue. — (Interjection) — Well, I don't think they should be making decisions and they aren't making decisions, but there is some kind of a view out there that they will be making decisions.

There's one Senator from Ontario, Joan Neiman, who recently admitted - and I'm quoting from, I believe it's a newspaper article - "A lot of Senators were recruited for three days a week on the understanding that's not a full-time job as Prime Minister Trudeau, in effect, told me."

That's not too bad, 60-grand, and a guaranteed job to age 75 whether you're good, bad or indifferent - not bad!

HON. A. ANSTETT: You could get a full-time job the other four days. You could be a fireman - four days on and four days off.

HON. V. SCHROEDER: Nice touch, Andy. Yes, had I known that this kind of a career path . . . — (Interjection) — and for making decisions. This is for doing nothing. This is for riding airplanes on Tuesdays and Thursdays and making the odd political decision for some of the political parties who have their bagmen in the Senate and paid for by the public purse.

HON. A. ANSTETT: It's even less than being opposition in Manitoba, Harry; less responsibility.

HON. V. SCHROEDER: Why is it that we are now talking about amendments to the - what is it, The Senate Act; I don't know what the name of the act is - The House of Patronage Act. We're asking for amendments in Parliament because this mouse roared a bit. They came along and they said we're not going to pass a money bill until we see the spending plans of the Mulroney Government for the 1985-86 fiscal year. That made parliamentarians very angry. I think it was outrageous.

Here we had a situation where the duly elected Parliament of this country — (Interjection) — voted. Actually, they didn't even vote on a majority basis. They voted on a unanimity basis. — (Interjection) — I hear an echo. A unanimity basis. That this money could be spent, could be borrowed by the Federal Minister of Finance, Michael Wilson. That was a decision made by the Parliament of Canada. This bunch of worn-out Liberals had the nerve to say we're not going to pass this. We want to see the documentation first. We're going to decide whether you should have - what was it a 10 percent or 20 percent advance on 1985-86 spending - we will decide is what they said in a manner that, I believe, was contemptuous of democracy. — (Interjection) — Of course it was. The member agrees with me that was contemptuous of democracy.

So, here we are, Parliament is now in the process of passing a bill, the effect of which would be that the Senate will no longer be able to hold up money bills for longer than 30 days. They only held this one for 24 days and it cost us millions of dollars. Why would we give them the opportunity to hold them up for 30 days? It makes no sense, it makes absolutely no sense. Why not abolish the Senate, save that money — (Interjection) —

HON. A. ANSTETT: . . . question period. We put a minimum or a maximum on it and we went to the maximum.

HON. V. SCHROEDER: That's right, sure. What will happen as a result of this amendment is we're going to have more delays of Parliament. I don't believe those people have that right in any moral sense.

It's not as though we haven't abolished this kind of House of Patronage in the past in this country. We did it in Manitoba - when was in the 1870s? We found out pretty soon that we didn't need all these retired Tories and Grits. In other provinces, some of them, it took a little longer. In fact, in Quebec, if you go to Quebec City, you'll find that they still have the Blue Chamber. There's no members in it. It's a museum. It's not a wax museum. They don't have all these people sleeping there these days, but it is in that sense, a museum. People can come in and see where all the basic Liberals

and, I guess, Maurice Duplessis was First Minister for some time, that was Union Nationale people. That is where they went on retirement or on making some bad mistakes in Cabinet or being awkward as backbenchers or whatever. That's the place they wound up at for another 20-30 years.

Of course, within the last 20 years or so, the Province of Quebec abolished their House of Patronage, so there are now no Houses of Patronage in the country excepting for the one in Ottawa. None of the provinces have had any terrible, dire consequences happen to us as a result of our abolition of this opportunity by government to dump a bunch of people into this kind of a House of Patronage.

It seems to me that the logical thing to do is to get rid of this group and, again, it no more resembles democracy than did the family compact. It had to be replaced. It had to be taken out and replaced by responsible government. If you want some kind of a responsible regional mechanism in this country, you're not going to graft it onto this organization. — (Interjection) — I keep hearing an echo.

A MEMBER: A little surrender.

A MEMBER: I think it's just encouragement mainly.

HON. V. SCHROEDER: It's encouragement, is it? At any rate . . .

MR. H. ENNS: FC was one of the finer instruments of a democracy.

HON. V. SCHROEDER: What was?

MR. H. ENNS: The FC.

HON. V. SCHROEDER: FCs, I'll bite.

MR. H. ENNS: Family compacts.

HON. V. SCHROEDER: Family compacts. Does the Member for Lakeside view the family compact as being a fine instrument probably for the delivery of democracy and in that sense — (Interjection) — Well, because of its excesses, it brought democracy in and I suppose in that sense it was a vehicle for bringing in democracy, and I would hope that the excesses of the current Senate will in a similar fashion lead people 150 years from now to say that it was because of MacEachen and the Liberal compact in that Senate that finally it was abolished and in place of it was a structure which did provide for regional concerns of Canadians.

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

MR. E. HARPER: Thank you, Mr. Speaker.

I am pleased to take part in this debate on the Abolition of the Senate. I am sometimes quite amazed what this country of ours and the politicians do for our country. We, as Indian people, have always felt that democracies, which are highly regarded as one of the fundamental institutions in the free society such as Canada, would advocate something like a Senate which is a non-democratic institution.

Much has been spent on the Senate. I think in the neighbourhood of \$35 million annually is spent supporting the Senate and the institution itself, and the salaries that are associated with that is a great cost to the taxpayers of this country, which is supporting a non-democratic institution.

Just recently, the Federal Government began dealing with Native cutbacks. I think a Memorandum to Cabinet was leaked out, dated April 12, 1985. It was a Report on the Ministerial Task Force on Native Programs and it was put forward by Deputy Prime Minister, Mr. Erik Neilsen, to cut-back on Native programs, I think, in the neighbourhood of \$300 million.

The Native people are the worst off in this country and the senators get paid \$63,000 a year and yet senators are required to have \$4,000 of property and income. All we see is \$5 a year from government for the treaties that were made to Indian people and yet the Federal Government is cutting back \$300 million to sustain the substantial lifestyle of Indian people.

The Deputy Prime Minister, who represents a northern constituency, and also represents a northern Native population, recommends these cutbacks deterrent to fees; a cutback may be deterrent of fees for hospitals services, and there are recommendations that were made to cut some Indian hospitals. It also recommends that minimal standards on reserves for housing be constructed, and the houses that exist today are shacks, and yet this Deputy Prime Minister of this country is recommending to Cabinet that these houses be minimum standard. That's the kind of thinking, the philosophy behind this Federal Government.

I'm sure the Deputy Prime Minister has some influence in Ottawa and these kind of recommendations to discourage Indian people from living on reserves or to encourage them to live off reserves, so that the Federal Government would no longer have responsibility to them, but rather the provinces will take on these responsibilities, because they no longer live on reserves.

The Senate, which represents a non-democratic institution - the \$35 million should be transferred over to Indian self-governments - at least the Federal Government will be recognizing a democratic institution. It will also help the Native people start determining their future.

A memorandum such as this causes great concern to myself, to my constituents, to the Aboriginal people across this country. What is the Federal Government doing? What commitments do they have? Are they sincere in their words of support for the support of self-government for Native people, or are those just merely empty words?

The Member for Virden had indicated about the Indian people having second sombre thoughts, because we believe that we have elders that provide that kind of advice. Let me tell you about the elders. The elders know their responsibility in our communities. They don't expect to be paid; that is a commitment and a responsibility that is taken upon the community elders; nor do the community leaders send our elders to institutions to be in nursing homes or even to the Senate. We respect our elders to perform and guide our young people in those places, because it is our elders who provide a stable base of our communities.

Mr. Speaker, maybe I may call it 5:30 and continue when this resolution is next up?

MR. SPEAKER: Order please. When this resolution is next before the House, the honourable member will have 13 minutes remaining.

HOUSE BUSINESS

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker.
If I may, just for the benefit of members with regard to House Business - to accommodate the start of the

Estimates of the Department of Agriculture, next Tuesday, the committee in the Chamber will not be sitting this evening, however the Committee of the Whole, Supply Section, in Room 255 will be sitting this evening in consideration of the Estimates of the Department of Co-operative Development.

Thank you, Mr. Speaker.

MR. SPEAKER: Order please. The time being 5:30, I am leaving the Chair. The members will reconvene in committee at 8 o'clock this evening.