

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 3 June, 1985.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports By Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Thank you, Mr. Speaker.

I beg leave to table the 14th Annual Report of the Manitoba Law Reform Commission and to circulate to the members a report on Intestate Succession by the Manitoba Law Reform Commission.

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

HON. W. PARASIUK: Mr. Speaker, I'd like to table some copies of a brochure entitled "The Manitoba Potash Project, May'85." This was made public at an economic conference in Winnipeg last week. I'd like to provide copies of it to members.

MR. SPEAKER: The Honourable Minister for the Environment.

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

I have a statement for the House.

Mr. Speaker, I would like to remind members of the House that this is Environment Week in Canada and a host of activities are planned across Manitoba. Environment Week is a combined effort of various governmental and private organizations. The principal aim of the week is to heighten public awareness of the importance of our environment.

The theme of Environment Week'85 is "Your Action Today - Our Environment Tomorrow." It is a reminder to all of us that environmental protection is everyone's responsibility.

I would also like to remind members that this week is also Peace Week in Canada and I can think of no other action that is more in tune to the protection of our environment than peace. Obviously, a nuclear war would be our worst form of environmental disaster, so it is most fitting that these two important issues are recognized at the same time.

Environment Week'85 officially started yesterday with a special opening ceremony at the Museum of Man and Nature. The opening event featured the presentation of three environmental plays written by Manitoba students.

Another major event planned for tomorrow and Wednesday is a recycling conference here in Winnipeg. The workshop is the first major undertaking of the

Recycling Council of Manitoba which was established to promote and encourage recycling activities. A variety of different recycling issues will be discussed at the workshop, including industrial recycling, composting, toxic waste reduction, and beverage container control.

Members will find on their desks a copy of the brochure on the recycling workshop. This worthwhile effort is receiving, as well, financial support from our government.

A variety of other activities have also been scheduled for Environment Week. These include:

A free environmental film series at the National Film Board's Cinema Main; environmental lectures at the Winnipeg Centennial Library and the Museum of Man and Nature; and environmental displays at the St. Vital Shopping Centre later on this week and on Saturday.

You will also note that I have provided members of the House with an Environment Week button, poster and calendar of events outlining the activities I have just mentioned.

In closing, Mr. Speaker, I would like to encourage all members to assist me in bringing recognition to this important week.

Thank you very much.

MR. SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Mr. Speaker, I would like to thank the Honourable Minister for his remarks concerning Environment Week and I will be wearing this button in support of Environment Week. I would hope that all members of the House would consider Environment Week for the whole year, not just for one week in the year.

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 17 students of Grade 6 standing from the Earl Grey School under the direction of Mr. Hanna. The school is in the constituency of the Honourable Minister of Community Services.

There are 28 students of Grade 11 standing from the J.H. Bruns School under the direction of Mr. Pitcairn. The school is in the constituency of the Honourable Member for Niakwa.

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

ORAL QUESTIONS

North of Portage Development - proposed type of facility

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Mr. Speaker.

My question is for the Minister of Urban Affairs. I wonder if he could inform the House whether or not the province has yet decided what form the major public facility in the North of Portage Development Corporation to which the province committed itself in the Throne Speech - what form that facility will take. Has that yet been decided?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. L. DESJARDINS: It has been decided as far as the Provincial Government is concerned, but that now is to be considered by the corporation and it would be announced after that. As you know, the corporation is the body that is administering and deciding - that has the backing of the three partners. An application was made to them.

MR. G. FILMON: So, Mr. Speaker, is the Minister indicating that the province has decided what type of facility it would like to construct and has made the proposal to the North of Portage Development Corporation and is awaiting their response?

HON. L. DESJARDINS: That's right.

Pay Equity - intended legislation

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: My next question is to the Acting Premier. I wonder if she could tell us - the Throne Speech carried a commitment to pay equity and I'm wondering if the province is intending to introduce legislation in this Session to deal with that matter of pay equity.

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Intentions will be announced in due course, Mr. Speaker.

MR. G. FILMON: Mr. Speaker, surely it isn't too much to ask - I haven't asked for a date upon which it will be introduced, I haven't asked for the nature or the form of the matter - all I want to know is whether or not it is intended to be introduced in this Session of the Legislature. Could the Acting Premier go so far as to tell us at least that much?

HON. M. SMITH: Mr. Speaker, the Throne Speech is an indication of intent.

MR. G. FILMON: Mr. Speaker, you know, this from an administration that put forward freedom of information legislation so that people should be able to know what the intention of the government is, and the Acting Premier won't even indicate whether or not they intend to introduce legislation in this Session of the Legislature. I think that's a sham and it's shameful, Mr. Speaker. But I'll go on with further questions.

Abuse of elderly in society - intended legislation

MR. G. FILMON: I wonder if the Acting Premier could tell us whether or not it is the intention of her government to introduce in this Session of the Legislature, legislative changes to deal with the rising problem of elderly abuse in society in Manitoba.

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, I think the Leader of the Opposition knows as well as anyone on this side that the convention for introducing legislation is when first reading is on an Order Paper and the details are given at second reading and there is ample opportunity for debate. The Throne Speech gives a summary of the various pieces of legislation and initiatives that the government is undertaking. Those things have occurred and as we move on with the business of this Session, all those other questions will be answered.

MR. G. FILMON: Mr. Speaker, I know full well that question period is not a time for debate of issues. I don't wish to debate with the acting Premier any aspects of legislation or the intentions of the Throne Speech. What I would like to know is that people of all various different groups in society are asking us whether or not the government is intending to proceed with certain types of legislation. There is a question in the minds of social workers; there is a question in the minds of police officers as to whether or not this government plans to deal with the rising increase in elderly abuse by introducing legislation.

My question is, is that a consideration that the government is giving at the present time?

HON. M. SMITH: Mr. Speaker, the question that we on this side are receiving from people is, why are the second reading debate of bills waiting so long for comment by the opposition. They know the way the business of the house flows along. They can . . .

MR. SPEAKER: Order please, order please.
The Honourable Leader of the Opposition.

MR. G. FILMON: Mr. Speaker, if government is not intending to introduce legislation to deal with the rising problem of elderly abuse in Manitoba, my question to the Acting Premier is whether or not the government is looking at providing some specific services in the area of counselling, in the area of education to the concerns, because in the year 1981 alone there were over 400 reported cases of elderly abuse which was a gross understatement, according to authorities in the area. What is the government doing in the area of bringing forth programs in counselling and education to let people know of the concerns in this area of elderly abuse?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, during the year the Minister of Health has acquainted us with the severity

of the problem and has brought forward various strategies for dealing with all the legislative programmatic elements. He can comment further on the state of the development of those programs.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, one of the first acts of this government was to appoint a Provincial Gerontologist to reinforce the advisory committee and to have it report directly to the gerontologist.

The gerontologist is the Provincial Gerontologist, although they report to the Minister of Health. It has an inter-departmental committee to make sure that there's participation from everyone. There has been, I think last week, and my friends were invited to this, there was a Conference on Aging that took place here at the university. There's been an awful of work; there's been discussion zeroed in on the question of abuse to the elderly. The department's in the process of discussing with the Attorney-General.

This morning I met with the people who are concerned, who are dealing with the abuse to children and asked them to give us some advice on that to see if some of the same organization would be the same; and I'm saying that we're very aware and concerned of this problem and if and whenever we're ready with legislation, legislation is not necessarily the most important thing, nor the only thing.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Mr. Speaker, one of the concerns that's been raised by experts in the field is that it's a question of requiring people to report suspected cases of elderly abuse, just as the new Child Welfare Act requires that people who suspect abuse to children report that to the authorities. Is the Minister giving consideration to that sort of legislation being introduced to try and curtail and curb the problem of elderly abuse in society?

HON. L. DESJARDINS: It's a little more complex than that. There is abuse and an added abuse with the elderly is financial abuse, people who are using their funds. It is not a simple matter; you're asking people to report against families, children that are living with these people and this is what we're looking at to see if we will respect the rights of everybody, discussing with the people. As I say, we're very much aware, but I would hope that we're not going to get involved in this as a political football.

There's an awful lot of work to be done and if that is done the only one that will suffer will be the elderly.

MR. G. FILMON: Mr. Speaker, I'm not looking for getting involved in a political football, but precisely the point that the Minister of Health raises about asking people to report against family members is what The Child Welfare Act requires, is people report against family members if indeed they are involved in child abuse.

Mr. Speaker, my question for the Minister of Health is, is the government considering the development of

legislation that would require the reporting of suspected cases of abuse against our elderly who are very vulnerable, in a psychological, physical and a financial manner?

HON. L. DESJARDINS: The government is looking at anything and everything that will protect the elderly. To single out something at this time, I think would be wrong. There are still discussions going on. In fact this morning, as I said, I discussed with Dr. Ken McRae, to see if the expertise that they gain in their field could be helpful, and he assures me that it can.

There's discussion on many levels and I've asked my honourable friend to be patient. I think his main concerns would be, are we aware of what's going on; are we concerned; do we intend to do something about it? And it's yes, yes and yes.

Bill 26 - MTS letter re passage of

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: Thank you very much, Mr. Speaker.

The Deputy Premier has just chastised members of the opposition for not debating bills on second reading. Mr. Speaker, I, today received in the mail a letter from the President of the Manitoba Teachers' Society, one Murray Smith, asking the opposition to give speedy passage to Bill 26.

Has the government or any of its Ministers neglected to tell Mr. Smith that the opposition waited nearly one-and-a-half months to receive the printed Bill 26, after it was introduced for first reading?

Head lice - Brandon schools

MR. SPEAKER: The Honourable Member for Pembina.

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

My question is for the Minister of Health. Mr. Speaker, the Minister of Health received, approximately three weeks ago, a petition from a Mrs. Lewis and a Mrs. Prokopchuk in Brandon, appended to which were approximately 300 names of parents who are concerned about the outbreak of head lice in the Brandon schools.

Can the Minister of Health indicate what action he and his department have taken to assist the teachers and the parents in controlling that outbreak?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I've asked for a report and investigation from the department. I've been away for the last three days. I'll check as soon as possible to find out what the outcome of that is.

MR. D. ORCHARD: Mr. Speaker, in view of the fact that the public health nursing staff has been vacant - two positions out of six for the past several months - could the Minister indicate whether enhanced recruitment efforts have been taking place to replace those public health nurses so that the normal service will be reinstated to the schools and prevent a further

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extension of the problem of head lice in the Brandon schools?

HON. L. DESJARDINS: I'll report as to the state of the replacement of staff at the same time.

Beef 'N Reef Restaurant - variation in market value

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I would like to ask a question of the Minister of Northern Affairs.

Can the Minister inform the House as to the difference between the price of the Beef 'N Reef Restaurant as reported in the paper of \$500,000 and the value having dropped to \$250,000 - other than the statement that was in the paper from the chairman, no very specific answers. Does the Minister have any specific answers as to the reasons?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. H. HARAPIAK: Yes, Mr. Speaker, we had quite a lengthy debate on this subject in our committee, and now it looks like they have done the evaluation on it and that's the best price that anybody is interested in paying for those. An evaluation was done on it and that's the best market value that they come up with.

MR. F. JOHNSTON: Mr. Speaker, the Receiver's report has come out since the committee was held.

In the committee meetings, Mr. Speaker, Mr. Jones, to an answer from a question for me - I'll be very brief, Sir, so the Minister will understand the point of the question - I asked Mr. Jones if because of the ARDA Agreement, would CDF or the Manitoba Government be responsible to pay back any of the funds to the ARDA or Federal Government.

HON. H. HARAPIAK: No, Mr. Speaker.

MR. F. JOHNSTON: Mr. Speaker, Mr. Jones, at the time the chairman, stated that he said that it's just a standard clause on all federal ARDA grant offers and he did not expect - he said that he would take the time to investigate at that time - that there would be any request from the Federal Government. Has the Minister not been informed by Mr. Jones that the Federal Government is asking for their proportion of the monies that are received for the Beef 'N Reef Restaurant on the sale of the restaurant? Has he been informed that the Federal Government is requesting their portion of the money which will reduce the amount of recovery for the Province of Manitoba?

HON. H. HARAPIAK: I'll take that question as notice, Mr. Speaker.

MR. F. JOHNSTON: Mr. Speaker, I would ask the Minister when he's taking it as notice that he take the letter which I'll table right now, written on May 15th,

almost two weeks ago, from the Federal Government requesting their portion of the funds back. I wonder if he'd ask the head of CDF to keep him informed of these matters.

Disaster Fund - Assistance to Ontario re tornado

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I direct this question to the Minister of Finance. The question arises out of the unprecedented storm damage done to Ontario communities over the weekend. It seems to me I recall that dating back from the 1950 flood, we have a disaster fund in Manitoba. I wonder if the Minister can indicate to me whether that fund, indeed, still is in existence and whether or not the proportion of the damage done to our Ontario neighbours is of such magnitude that the government may well wish to consider contributing to the relief of the residents of Ontario.

MR. SPEAKER: The Honourable Minister of Finance.

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

I thank the member for that question. Certainly, we'll check into it and see what there is available and what procedures there might be if there is any funding available.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: The question is either to the Deputy Premier or to the Minister of Finance. The question asked of me of a neighbour is, would it be possible for Manitobans to make a contribution to the relief program in Ontario and, if so, would the government be co-ordinating or trying to organize some sort of program to allow Manitobans to make or to transfer money or goods to the people in Ontario who have been hurt by the storms?

MR. SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Mr. Speaker, I think this kind of request is rather unusual. There is a process in place between the Federal Government and the provinces, a cost-sharing arrangement.

We've had numerous disasters in this province over the last number of years where the formula allows for the province to pay the first dollar per capita and after that a sharing formula takes place. It's the same with the Federal Government's agreement with Ontario and that will be the mechanism whereby that disaster is paid for, Mr. Speaker.

MR. C. BIRT: Mr. Speaker, the Minister seems to have misunderstood the question. Manitoba was a recipient of a fair amount of aid, I think, if not North America-wide, then worldwide, during the 1950 flood.

The question I asked is if Manitobans, not the government, wanted to make contributions to those people who had trouble in Ontario because of the

storms, what mechanism would the government be undertaking or would they undertake any mechanism to allow the Manitobans to convey these funds or goods to the people in Ontario?

MR. SPEAKER: The Honourable Minister of Finance.

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

I believe that there are mechanisms already in place with respect to contributions to charitable organizations. I would expect that organizations such as the Mennonite Central Committee and possibly some Ontario organizations would be involved in the clean-up and, of course, donations to those kinds of organizations are charitable donations within the meaning of the Income Tax Act and as long as they are within that act, people would be entitled to deduct that from their taxable income.

MR. C. BIRT: To my knowledge and to the best of news reports I've seen, there has been no agency taking any responsibility to try and co-ordinate any assistance program for the people in Ontario. The question I want to know is, will the government be taking a lead to help the people in Ontario, keeping in mind what they did for us in the 1950 flood?

HON. V. SCHROEDER: Mr. Speaker, I would expect that there will shortly be agencies involved there, as there have been here and as there have been in other jurisdictions in North America, and at that time certainly the aid provided by Manitobans would be deductible in that fashion.

I've indicated, in response to the question of the Member for Lakeside, that if there is anything in any fund remaining from 1950, we will certainly be looking at that as well.

Freedom of Information Act - Delay in introducing

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: My question is to the Deputy Premier. Bill No. 5, The Freedom of Information Act, was given first reading in the House on March 15, 1985. Why did it take two-and-a-half months to finally introduce it into the House on May 31, 1985?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Mr. Speaker, I should point out that the bill is ordered for debate and will be introduced for second reading tomorrow; but I have no hesitation in answering the question.

The reason that it took that time is that we wanted to make it, as it is, the best freedom of information bill in the country.

CAT scan facilities - Brandon area

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

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

I have a question for the Honourable Minister of Health. I wonder if the Honourable Minister of Health in the government could tell me what plans are in the works to provide CAT scan facilities in the Brandon area, especially to serve the needs of cancer patients from Western Manitoba and the Brandon area who presently must travel to Winnipeg for that type of treatment.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I'd like to refer my honourable friend to the Estimates. That was covered quite extensively.

MR. W. MCKENZIE: I wonder could the Minister then advise the House the reason or reasons for the delay in the provision of this type of service for the people of Western Manitoba who are finding it an extreme hardship now to make the necessary reservations for those patients, regarding the need of that kind of care, to have to be transported back and forth to the city.

Land prices - Increase in

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Finance who's made a number of remarks concerning the adverse impact of the Federal Budget as he see it.

Assuming that there is an increase in the price of land, does the Minister have a plan to intervene in the economy?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, we do have a long-term federal plan that's going to take maybe one or two more elections.

MR. R. DOERN: Mr. Speaker, I'm directing a question to the Minister of Finance concerning some of his remarks about the likely increase in the cost of land, remarks that he made just a few days ago, and I want to ask him whether he is giving consideration to land banking or buying up tracts of land to offset this proposed increase that he anticipates?

HON. V. SCHROEDER: Mr. Speaker, as the member knows, we still have some land and we can look at ways of making more of that available. I believe in the last few years we did put - what was it? - Meadows West on the market and there may be other pieces of land that we can be looking at developing; but I would suggest that the member refer that to the Minister of Housing.

MR. R. DOERN: Mr. Speaker, then I would direct that question to the Minister of Housing and ask him whether he is considering releasing lands now owned by the province or continuing to land bank, in anticipation of an increase in the price of land?

MR. SPEAKER: The Honourable Minister of Housing.

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

In fact, as the Minister of Finance has indicated, during the past two years the province has been very deeply involved in providing land for affordable housing in Meadows West and other areas. We still do have some inventory and we will develop that property as the need is demonstrated to help maintain affordable housing in our province.

Resurveying in municipalities - Status of

MR. SPEAKER: The Honourable Member for Swan River.

MR. D. GOURLAY: I direct a question to the Attorney-General and ask the Attorney-General if he can advise as to the resurvey of the land base in municipalities, is it still being carried out and, if so, what municipalities will be included in this coming year for resurveys?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: I'll take the second part of the question as notice, of which freedom is, of course, a requisite. Yes, included in the Attorney-General's Estimates for this year there is the same sum as was included in the Estimates last year and in the year before for continuing the resurvey of the outdated survey. The Member is well aware of some of the problems with posts that have disappeared, lines that are out of kilter from the old surveys and things of that kind. We're proceeding with it, but I will bring in the information or provide the member with information as to what the plan is for this year.

Seatbelts and injuries - Status of analysis

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Mr. Speaker, I address my question to the Minister of Highways. Some 10 days ago I asked him a question with respect to a report presented to him by a constituent of mine, Mr. Martins, dealing with an analysis of injuries before and after the advent of seatbelts. The Minister indicated at that time that I believe an analysis of that report had reached his office and he was just reviewing it.

Could he indicate what is the holdup and why is it taking so long to share the analysis done by his department, with the House?

MR. SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Mr. Speaker, time really flies here. I didn't believe that it was 10 days ago that I answered that question. At that time, I indicated the Deputy Minister was reviewing it, not that I was reviewing it.

He hasn't completed his review yet and as soon as he has and it gets in, I'm sure there's many other priorities and we're in the middle of Estimates

consideration for Government Services as well at this time, but the member can rest assured that we will share all of the information once we get that report on the statistics.

I've indicated that in the past and I have no hesitation in doing that. I have said that to the member before.

Speed limits - raising of

MR. SPEAKER: The Honourable Member for Pembina.

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

No doubt the Minister is a classic example of time flying when you're having fun.

Mr. Speaker, my question to the Minister of Highways, in his review of the speed limits in Manitoba and the potential that he is currently studying of raising the speed limits to 100 kilometres per hour, has the Minister studied the statistics in the United States of the drop in injuries and deaths on the highways, coinciding with the year that they dropped their speed limits to 55 in the United States, such information being very beneficial to the Minister who is about to make a decision to raise the speed limits in Manitoba.

MR. SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Mr. Speaker, there's been a lot of information compiled on this issue, both in the United States and Canada and other parts of the world. We have to consider all of them. It's very inconclusive, I can tell you that. There's many different points of view.

According to the extensive study that was done with regard to speed limits in the United States, it seemed to be that they would be recommending to increase those speed limits again, they then backed off and maintained them as they are at the present time. I think some of the major steps that have led to a decrease in injuries and deaths and one that we have taken in this province is the seatbelt legislation, Mr. Speaker. There, we have taken strong action to ensure that there would be a reduction in injuries and deaths in this province, that has been the case and has been in the case in other areas, and it is certainly true that the member is probably confusing the statistics for the seat belts with the reduction in speed limits, and he has to pull those apart and ensure that he has analysed them each separately, Mr. Speaker.

MR. D. ORCHARD: Mr. Speaker, the only confusion in statistics are the ones that the Minister is currently trying to settle out and has some difficulty in doing so.

Mr. Speaker, would the Minister avail himself of statistical information from the United States, where no seatbelt law existed or was introduced and the speed limit was dropped, resulting in a substantial saving in both personal injury and deaths on the highways as a result of lowering the speed limits, prior to making his decision on raising the speed limits in Manitoba?

HON. J. PLOHMAN: Mr. Speaker, we'll look at all of that information as I've indicated. I think it should be pointed out here that there's no indication from any source in this government that we should be looking at raising speed limits across the board. What I've said

is that there are many provincial trunk highways that are currently at 100 kilometres an hour and a number that are at 90 kilometres an hour; there's an inconsistency there and I said there should be a consistent basis and a rationale for making those kinds of decisions.

We're going to look at whether those speed limits should be increased on some major trunk highways and we'll consider all of the information that is available.

MR. SPEAKER: Oral Questions.

Orders of the Day.

The Honourable Minister of Business Development.

HON. J. STORIE: Mr. Speaker, if I may be permitted leave to make a non-political statement?

MR. SPEAKER: Does the Honourable Minister have leave? (Agreed)

The Honourable Minister.

INTRODUCTION OF GUESTS

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

It may have been an oversight, but there a group of 20 students from Cold Lake School in Sherridon in my constituency in the gallery and I would certainly like to welcome them here on behalf of all the members in the Chamber.

MR. SPEAKER: I assure the member it's not an oversight; he was a little quicker than I was.

COMMITTEE CHANGES

MR. SPEAKER: The Honourable Member for Riel.

MRS. C. DODICK: I have committee changes, Mr. Speaker, on Public Utilities and Natural Resources: The Member for Transcona for St. James; The Pas for Inkster; and Osborne for Burrows.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

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

Would you please call the following bills from the Order Paper for Second Reading, in this order: Bill No. 47, Bill No. 3, Bill No. 15.

SECOND READINGS

BILL NO. 47 - THE INFANTS' ESTATES ACT

HON. R. PENNER presented, by leave, Bill No. 47, The Infants' Estates Act; Loi sur les biens des mineurs, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Mr. Speaker, I take pleasure in recommending to the House, Bill 47, The Infants' Estates Act. This bill is a companion piece to The Child and Family Services Act currently before the House. When, in 1982, a committee was struck to consider the existing Child Welfare Act, the committee decided that The Child and Family Services Act should deal only with matters affecting the physical and mental well-being of children.

Accordingly, Part 7 of The Child Welfare Act, which deals with estate matters, finds no place in that legislation and so we're introducing it in the form of a separate bill. When staff of my department looked at Part 7, it became obvious that it was in need of updating, not simply re-enacting in another form.

Many of the existing sections have survived virtually unchanged since the passage of the first Child Welfare Act in 1922, I remember it well. For example, the \$2,000 limit on summary administration of infants' estates has been unchanged for 61 years, even though the value of money of course, has changed dramatically in that time. The Public Trustee and the Family Division of the Court of Queen's Bench were consulted on the changes to be made in producing this bill, and I can assure the honourable members that the only changes of substance from the existing legislation consist of raising the dollar value for the summary administration of estates from \$2,000 to \$10,000, and also to provide that the Public Trustee - and this is important, Sir - shall receive a copy of any application to dispose or deal with the property of an infant. The public trustee, in his capacity as the protector of the interests of children and estates, will then be able to ensure that dispositions or dealings proposed are in the best interests of the child.

If the public trustee should find it necessary to intervene, as he may well do in certain circumstances, then in court proceedings another new provision will give the courts the discretion to award the public trustee costs. That is, of course, not against the estate of the infant but with respect to those proposing to deal inappropriately with a child's estate.

All other changes which this bill brings to the procedures already established and already existing under Part 7 of The Child Welfare Act, consist of drafting changes, for example, to eliminate references to the Surrogate Court which no longer exists; and to drop some provisions which are obsolete now that we have amalgamated the Surrogate Court, the County Court, and the Court of Queen's Bench.

So with those words of explanation, Mr. Speaker, I recommend this bill to the House.

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

MR. G. MERCIER: Mr. Speaker, on the basis of the comments of the Attorney-General, I would be prepared to let this bill pass and go on to committee, unless someone else wishes to speak to it.

QUESTION put, MOTION carried.

BILL NO. 3 - AN ACT TO AMEND THE VITAL STATISTICS ACT

HON. M. SMITH presented, by leave, Bill No. 3, An Act to amend The Vital Statistics Act; Loi modifiant la loi sur les statistiques de l'état civil, for second reading.

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MOTION presented.

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, I'd like to bring to the attention of the members of the House a series of amendments and new inclusions we are proposing to The Vital Statistics Act.

The amendments represent fine-tuning, if you will, of the act which was enacted in 1983. In some cases the changes will impact on the public, but for the most part they're administrative in nature and provide clarification for staff working in Vital Statistics.

In addition to the amendments, we have included three additions which will offer greater flexibility in the registering of events. I'd like to briefly outline for the Legislature what changes we are proposing.

We have removed from the act any reference previously made to inspectors, as we have not had Vital Statistics inspectors for quite some time and reference to them is obsolete.

We make reference to charging a prescribed fee for services. In all cases the fees already were being charged and their inclusion is merely a formal acknowledgement of their existence.

Two additional amendments relate to the release of information. One will provide the mechanism by which the Director of Vital Statistics will be able to release information on adoptions which occurred prior to September 1, 1924 to the Director of Child Welfare. The office of Vital Statistics maintains these records.

Another amendment pertaining to access and freedom of information will formalize the role of the Director of Vital Statistics to ensure files are available for bona fide research purposes. Information would be released on a strictly confidential basis, safeguarding the public's right to privacy.

As I have mentioned there are three new inclusions. One is a provision allowing for the particulars of the father to be included for the purpose of registering the birth of a child, where there is a declaratory order. This requirement has come about largely because of changes to The Family Maintenance Act, which were passed after the revised Vital Statistics Act of 1983. It guarantees the father's right to legal recognition, where the parents may not cohabit, but where he is required to pay for the maintenance of the child.

Another new section deals with births resulting from artificial insemination. This section was added at the request of physicians, hospitals and affected couples. Each year, in Manitoba, Vital Statistics records about 60 such births. The new section of the act will acknowledge both the mother and her husband as the natural parents when the child is registered.

Another inclusion we have made will allow for the registration of a hyphenated or combined surname of a child without both parents' consent, if there is proof that one parent is dead or mentally incapable.

I believe this bill will assist our efficient provision of this important public service.

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

MR. A. BROWN: Mr. Speaker, I move, seconded by the Member for Fort Garry, that debate be adjourned.

MOTION presented and carried.

BILL NO. 15 - AN ACT TO AMEND THE PLANNING ACT

HON. A. ANSTETT presented, by leave, Bill No. 15, An Act to amend The Planning Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

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

Mr. Speaker, I would like to provide honourable members with a brief summary of the amendments proposed for The Planning Act. I will, at the conclusion of my remarks, distribute a 36-page summary of the amendments in full detail, providing both the existing section and the proposed change as well as explanatory comments. I trust this will assist members in debating the bill, both at second reading, in terms of an understanding of the principles; and also at committee stage.

Sir, the amendments deal primarily with Part 6 of The Planning Act, which is the subdivision approval process. After nine years of experience with the new Planning Act passed in 1976, the department and most municipalities and planning districts have come to realize the need to clarify some of the processes set out in the subdivision approval system.

We have altered our review process in order to respond as efficiently and fairly as possible to applicants and to ensure that provincial resources are adequately protected. However there are still some provisions in Part 6 which should be amended to better achieve these objectives. Many of the revisions are of a minor nature, such as the reordering of sections or rewording of clauses, to clarify the intent. Some of the revisions are more significant.

To summarize, the significant changes are as follows. Firstly; there's a new provision which permits the Minister to delegate subdivision approving authority only to more than one municipality. In other words only where a planning district has been formed. The provision which previously allowed subdivision approval authority to be delegated to a single municipality is being removed. Districts will still be able to approve subdivisions, only if they have been first approved by council in the local municipality.

The second significant revision provides a section which will permit a municipal council to add, alter or cancel any conditions included in a previous resolution approving a subdivision application. This provision will allow councils to make reasonable changes to subdivision proposals. Provision will also be made to allow applicants to appeal those conditions to the municipal board in order to protect the applicant from unreasonable conditions.

The third major change is in reference to a amendment to the act four years ago which permitted regulations to be made to require a municipality to give notice of a subdivision application to neighbouring land owners. However, to date no such regulations have been made either under the previous administration or under our administration.

The department and I are of the opinion that this type of provision is very fundamental to the subdivision

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process and should be included in the statute. Therefore, notice requirement provisions are outlined in the new amending bill rather than just regulatory authority to provide for same. This provision, of course, would apply only to municipalities which do not have an approved plan.

The fourth major change is a new provision which will authorize the approving authority to grant conditional approval for a subdivision. This ties in with the second proposal which allows the altering, adding or cancelling of conditions. This conditional approval would be valid for 24 months. Once the applicant fulfills all the conditions of approval, the approving authority will be required to issue a certificate of approval for the subdivision. This provision will clarify the current act's use of the tentative approval mechanism which is provided in the regulations. This will clearly define the scope of conditional approvals and clearly list all the types of conditions which can be attached. Currently, the various conditions are scattered through different sections in the act and are not clearly evident to applicants. The approving authority will now be able to apply only those types of conditions which are provided for in the act itself.

A number of substantial provisions - and this is the final item, Mr. Speaker - currently included in the regulations which have been passed pursuant to the act at various times over the last nine years will be transferred directly into the act itself so that the general public and municipal officials making use of the act as a reference tool will have all of the rules and regulations there in the statute itself for easy reference. The scope of the new regulations in the future will be limited primarily to procedural matters and that will be really the range of the regulatory authority. All the other rules, statutory requirements, will be explicitly in the act so they're much easier to find and to follow.

I expect, Mr. Speaker, that people applying to subdivide land will generally be more satisfied with the amended legislation because it will set out the parameters and rules which must be followed more definitively and in a more exact chronological fashion. I believe that it will be of assistance to municipal councils and to planning districts as well.

Some minor amendments to other parts of the act are also included but these are proposed solely to clean up some procedural matters. I trust, Mr. Speaker, that members will find the detailed synopsis of the bill helpful. I'll be pleased to answer any of the detailed questions with regard to that synopsis when we reach committee stage.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Virden.

MR. H. GRAHAM: Will the Honourable Minister permit a question or two?

HON. A. ANSTETT: Yes.

MR. H. GRAHAM: Can the Minister indicate whether he or his department has submitted this proposal to the R.M. of Stanley and whether or not he has their approval for these changes?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

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

I have had an opportunity to discuss conceptually, and only conceptually because I respect the privilege of the Assembly, the proposal which is inherent in the bill to clarify and chronologically order the subdivision approval process with the two municipal associations. I did that on several opportunities during the last year and indicated to them it would be my intent to introduce this bill.

I can't say, Sir, whether or not the Municipal Association to which the R.M. to which the member refers belongs, has received their approval, but generally the proposals as expressed to the executives and members of the two associations received their approval and they gave me best wishes in proceeding with the legislation to make their job at the municipal level much clearer and much easier.

Specifically, the one municipality - no, Sir. Out of 201 I have not had an opportunity to consult with all of them.

MR. H. GRAHAM: A supplementary question to the Minister.

Would the Minister give serious consideration to delaying referral of this matter to committee until after the various regional meetings of the municipal districts of Manitoba are held in the next two weeks time?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

Order please.

HON. A. ANSTETT: Mr. Speaker, the district meetings are the last two weeks of June. The appropriate mechanism for consultation with municipalities is the Ministerial Advisory Committee at which the Minister of Municipal Affairs meets with the representatives of the two associations. That consultation has taken place.

Sir, if the legislative process here and the timing of such, places this legislation before a committee or certainly still in second reading while the regional meetings place, I would be happy to hear the views of municipal officials at that time. I can't predict when the Session will end. In many ways, that's as much in the control or more in the control of members opposite than it is of the government.

I would not be my intention to unduly delay the completion of the Session because of a piece of what is primarily technical and administrative legislation. I believe there has been consultation with the two associations and I believe, Sir, that the legislation has their blessing in principle, in not in explicit detail. They have been mailed copies of the legislation after it was distributed in the House, and I expect that if there are any detailed concerns, we will hear about that at committee stage.

I'll certainly be open to further comments and suggestions at the district meetings and if the bill has not yet been passed, then certainly the opportunity for further changes will be there. If it has been, Sir, this government has always been approachable and has always dealt with municipalities on the basis of seeking their input and we certainly would not be at all reluctant to incorporate those suggestions in a future amending bill if there are those kinds of suggestions.

MR. SPEAKER: The Honourable Member for Virden.

MR. H. GRAHAM: Mr. Speaker, I beg to move, seconded by the Honourable Member for Sturgeon Creek that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

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

I beg to move, seconded by the Honourable Member for Concordia, 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.

Sir, I believe the House is continuing consideration of Agriculture Estimates here in the Chamber and Government Services Estimates in Committee Room 255.

MOTION presented.

MATTER OF GRIEVANCE

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker.

I hear the words from my colleagues, "go get 'em" and there isn't enough time left in the day or years to count up all of the problems that this government has created in this province.

Mr. Speaker, there are some specific ones though that are very serious and that is the complete lack of knowledge of small business in this province; the complete lack of relationship to their concerns in this province and also the situation of tourism within the province; but also, Mr. Speaker, the situation that has been mentioned today in the House and I've mentioned it before, and it was in the Free Press today, the handling, the complete ineptness and disgraceful way that this government handled the situation regarding the Beef 'N Reef Restaurant in Lac du Bonnet.

They have not only lost the people's money because of - I guess you would have to say - their stupidity, in handling this type of a situation. They have created hardship on families, one family in particular, and other families within the district and they have created hardships on the other businesses within the District of Lac du Bonnet.

Mr. Speaker, it isn't as if the government didn't know that the problems existed a long time ago, but they continued to not investigate them, they continued to ignore them. In fact, the Minister at the time received a letter that was addressed to Mr. Don McIvor of the Manitoba Metis Federation in April 1984, and the letter outlined some very definite problems with one of the owners and the situation with one of the owners; but the letter, in outlining that situation, also indicated some very serious problems with the operation in Lac du Bonnet.

Mr. Speaker, the Minister, the Honourable Jerry Storie, at the time, received a copy of this letter and to my knowledge and to the knowledge of the lawyer

concerned that wrote the letter there has never been any answer given to Mr. Knoedler's lawyer. There's never been any answer given to Mr. Knoedler from the government. There have been discussions with him by the Manager of CEDF, but certainly, Sir, the situation was allowed from that point on to continue to deteriorate because of complete ignorance of the way business should be operated and the complete ineptness of the department and the government to put this thing into a proper operating situation. Instead, it operated into a situation where we all are very disappointed that we're losing a lot of money.

Mr. Speaker, I brought up the fact today that in committee I asked the simple question that would the Government of Manitoba be responsible for any of the funds that were advanced by ARDA because the ARDA Agreement specifically read - and I read it into the record, Sir - the ARDA Agreement specifically said that if you fail to operate the whole licensed family restaurant for at least three years, starting on the day you open for business, you must pay back the proportioned portion of any money that you have been paid under this offer.

Now I asked the question, would CEDF be responsible for paying back any of the monies? The answer I received, Mr. Speaker, was "I suggest Mr. Johnston know," - this is from Mr. Jones, the Manager of CEDF - "frankly we have not even gone into that issue." Can you imagine? Can you imagine, you haven't even looked into an issue that was in the agreement? I would be supremely surprised if that were the case. That is a standard clause in the federal ARDA grant offers.

The reality is that every case where there's an ARDA grant, there has been a reliance upon a lending institution and usually it's CEDF which is that institution because of the areas and the people with whom we deal. Later on he says that we have not examined, Mr. Johnston, the implications of that clause, in terms of our experiencing the hypothecation of rights, but I would be very surprised because the ownership did not change; the shares were not exchanged or transferred.

Mr. Speaker, that is a complete lack of duty for not even investigating the clause that was in the ARDA Agreement. Mr. Speaker, we've received those answers in committee. We were informed that the Receiver was in the process of handling everything.

I have with me the Receiver's presentation to the judge in the Queen's Bench where he lists all of the items that would have to be paid by the government or paid out by the Receiver before the government received their funding, and in no place does it say that the government has to pay back any proportion to the Federal Government.

Mr. Speaker, I tabled today a letter in this House from a Mr. H. Schulz, Manager of Urban Development of Special ARDA Program, a letter stating in the second paragraph it says, "To date, contributions under special ARDA Program have amounted to \$194,651.00." - I've already tabled it, I tabled it earlier. "A condition of our letter of offer a.(6) requires that the facility be operated for the three-year control period or a prorated portion of contribution must be repaid. The facility commenced operation on November 22 and your security was exercised in February, 1985. It is, therefore, established that the facility operated for less than a three-year period and is required by the letter of officer. Would

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you, therefore, ensure that upon settlement of prior claims that the refund due this department be made."

Mr. Speaker, I received the answer in committee that, frankly, we have not even gone into that issue. We would be frankly surprised if the Federal Government would.

Then it says, "We haven't examined that issue." Mr. Speaker, that is one item in this situation that has shown that this government and the Ministers of this government have completely ignored problems that existed with this situation where the people of Manitoba are now in the process of losing about \$300,000, possibly more.

Well, Mr. Speaker, I've referred to this whole situation. During the terms of the loan or after the agreement and the terms of the loan with ARDA and with CDF, Community Economics Development Fund, in July of 1982 I quoted from a letter in committee. It says, "Before we proceed anywhere at all, is the receipt of the firm stipulated price of the contract and a clear evidence of injection of the equity described and the agreement to the commitment letter issued?" Mr. Speaker, the manager, Mr. Jones, was writing to the Beef 'N Reef Restaurant to the people that were owners of the restaurant and he was explaining to them that unless they had specific prices, etc., satisfaction that the prices on the quotations for the restaurants were all there and proper and that all monies of equity were put in by Mr. Knoedler and Mr. Holm, that they couldn't proceed any further unless that was done, Sir.

Well, Mr. Speaker, on October 15, I refer to a letter from Mrs. Kowalchuk of the fund. It says, "You will recall that earlier this year when the contract price was presented to us we requested and obtained a breakdown of construction costs which made up the price of \$253,000 by MMP Consultants. In the meantime, assessed the construction according to the blueprints you provided us." MMP came up with a value of \$183,000 based on those blueprints. Mr. Speaker, that's almost 65,000 or so difference. Since that time, major changes have altered the blueprints. MMP cannot adjust this figure unless they are supplied with information necessary regarding the blueprints and the prices. I state, Mr. Speaker, that's written almost five or six months after Mr. Jones insisted that they have this information.

Mr. Speaker, we still have the restaurant opening in November 22 and in October they still had not received, at that point, anything from the restaurants regarding the overrun of the contract, Sir.

On November 26, Mr. Jones writes again, and by the way, the restaurant opened, all the money had been forwarded by CEDF to get this restaurant going and for six months they were saying we can't forward anymore money until we get this information. Here it says - this is November 26, the restaurant opened November 22 - "Before I can disburse anymore funds for construction purposes, I require information that will explain the differences of which 253,000 contract to MMP's \$186,000 evaluation." He says, "I require an explanation of the differences before I can disburse any money." And the business that already opened. You know these are business people.

I cannot emphasize too strongly that you must be exceptionally careful on how you keep the cost of your minimum, especially as we all realize the months of January and April will probably be the slowest.

He also refers to this letter that the equity from all partners must be put in because the monies have to be there before they can keep disbursing their funds.

On November 30, 1982, Mrs. Kowalchuk wrote Mr. Richmond, the contractor, saying they must have an explanation in the difference in the cost of the building. Mr. Speaker, the only evidence that the government received as to the change in the costs of a building was a scribbled piece of paper like that which I have presented in committee. There was nobody in committee told me that they had anything else.

In the further correspondence, Sir, they refer to this piece of paper as not being satisfactory, yet all the money has been disbursed. That is the rundown of the funds that were the overage in the contract price versus MMP's consideration of the blueprints that gave their value of the building.

In committee I received from the Manager of the Communities Economic Development Fund, the assurance that the building was looked at and it was worth every cent that had been paid out. But, Mr. Speaker, it had been paid out before the government knew whether it was or it wasn't.

The government exercised their rights under the contract to take over the restaurant in December, I believe, of 1983, and they chose to ask Mr. Knoedler, one of the partners, to leave the business. They gave him an offer of \$10,000 of monies for leaving the business, because they had taken over the management of the business. They placed Mr. Jones and another gentleman from CEDF on the board of directors.

Mr. Knoedler was a cook, who'd had experience in the restaurant business. The reason why the loan was granted from ARDA in the first place, and I follow up here, CEDF got involved because ARDA got involved, was because Mrs. Knoedler is Metis and there was to be Metis involvement. The approval came from Mrs. Gus of the Metis Federation in that area and the Knoedlers ran the business. They did supply all of the reports and everything that this government requested by letter. It's all on file.

But when the partners had problems among themselves and things weren't going well, the government took over and they said, Mr. Knoedler, we're going to give you a severance of \$10,000, which, mind you, took him a long time to get. He was advised to get a lawyer by Mr. Jones, and the lawyer happened to be Mr. Jones' son-in-law, but we won't worry about that.

Mr. Speaker, the situation that we have coming up is that Mr. Holm, the other partner, was made manager. I refer to what Mr. Jones says in the paper today, "The judgment the fund made at the time the loan was made was not particularly good," and he says that in hindsight. Our judgment of the business ability of the applicants, in hindsight, was not good, as good as it should have been. Mr. Speaker, in hindsight they say, their judgment was not as good as it should have been, and they put Mr. Holm in as manager of the Beef 'N Reef Restaurant.

The other partner, was in charge of the financing at this point, and Mr. Holm has never run a restaurant in his life, Sir. He's never cooked a steak; he's never poured a drink; he's never run a restaurant in his life, and after the manager of CEDF says, "Our judgment of the business ability of the applicants in hindsight was not as good as it should have been," they take

one of the partners, who has never been in the business in his life and they make him the manager of the business. After doing that, it went nothing but down, down, down to the point where they have to put it in receivership. And, you know, this government was aware of what was happening.

Now let me just say to you that it says here, if we asked the question, "CEDF requested ARDA for all the money." They made a request to ARDA for all the money and ARDA said no, but they convinced them to give them the money in trust; and ARDA said no for a specific reason and remember, Mr. Speaker, I had told you earlier that the CEDF were saying that we can't forward any more funds until the equity of all the partners was put in, and yet the building was built.

And, Sir, on December 2, 1983, a year after the building is built and in operation, Mr. Johnston of the Government of Canada, Regional Economic Expansion, writes and he says, "Gentlemen," to the Beef 'N Reef Restaurant, "The information reports available on the process of this project have been received. It is noted that the required equity contribution has not been made, and in view of the financial situation it is critical that this requirement of our offer be completed with."

A year later, our CEDF were forwarding money continually saying, "We can't forward any money until all the equity is in." A year later, the Federal Government, they knew it wasn't. Now the manager of CEDF, Sir, says that they received affidavits from a lawyer, and they had no reason to disbelieve the lawyer. But I see nothing and have heard nothing, and I see nothing in the Receiver's report to say that that lawyer should be charged, because the monies weren't there - obviously they weren't there. The Federal Government was capable of finding out it wasn't there, but our government wasn't.

Mr. Speaker, let me say to you that I told you that the funds at that time were put in trust by ARDA. So in order to get those funds released, because they had to show ARDA all the equity was in, they sold Mr. Holm \$30,000 worth of B-class shares in the business. Isn't that nice? So, according to Hansard - Mr. Holm digs up two other people, Mr. Richmond, the contractor, who, it would appear, was greatly overpaid to begin with and he gets somebody else involved who has not been named, he wouldn't name that person in Hansard and that's up to him. But he said three people put up \$30,000; and when the \$30,000 was put up, that meant that's the 18 of the equity that was owing. So the Federal Government said that they wanted the 18 plus 12, so that there was more money put into the business before they released any more ARDA funds.

That was done, Sir, but would you believe what the fund did when they put in, sold Mr. Holm the \$30,000 worth of B Class shares? This is a person, one of the people that has received all these monies to begin with and the place has gone broke and it's in receivership, but in order to get that \$30,000 in so the ARDA federal people would release the \$91,000 in trust, and they got \$30,000, Sir, and I emphasize that again, put in the business - but you know what it says, it says on June 21, 1984, the company issued 30,000 Class B shares at the price of \$1 per share for a total of \$30,000.00.

Prior to the issue it was agreed that in the event of liquidation or dissolution of the Beef 'N Reef Limited

or in the event that CEDF take a demand on the Beef 'N Reef Restaurant, under the terms of the debenture, CEDF would purchase all outstanding Class B shares for the sum of \$1 per share.

A MEMBER: Oh, no, Frank.

MR. F. JOHNSTON: In other words, they got somebody to invest another \$30,000 in to get the Federal Government money released and then they turn around and in the agreement they say, if we take you over or exercise our agreement, we'll buy back your 30,000 shares for \$1 a share. That wasn't a bad deal for those people, was it? They didn't stand to lose anything. They didn't stand to lose a thing, and right here, Sir, in the rundown from the Receiver, we have placed before us all of the accounts owing and it says right in the accounts owing, \$30,000 to be paid to Mr. Holm for the B Class shares that were issued.

That didn't happen two years ago or in 1982 when this started. It all happened in 1984, they issued those shares. This government and CEDF management watched this situation deteriorate to a point where the people kept losing money and losing money and they did absolutely nothing about it. Finally, when the pressure started to be put on by one, Mr. Naugler, everybody started to scurry and everybody started to look at it. Mr. Knoedler basically came to the opposition in defence. He went to the papers; he went to the Metis Federation; he went to his lawyer; he went to Mr. Jones; he went to ARDA; he went everywhere and nobody seemed to care one bit that there was a tremendous mess taking place and nobody was doing anything about it.

The Minister had ignored the copy of the letter that he'd received originally, so he had no reason to go back there, and he was talking to CEDF. Mr. Speaker, let me read to you one other thing. Mr. Knoedler has never been taken off as a shareholder by the Federal Government. The original agreement is still in force and this man is put out to pasture. He doesn't have a say on any more expansion from the bar that they did. He didn't have a say in anything, yet he has lost his house, lost all his money. He was stopped from making an agreement from Mr. Holm to sell out his share, which the Ombudsman is looking at, at the present time; so I'll comment no more on that, Sir.

But on March 4th, 1985, we served notice on Baldur Home - this is the Receiver - telling them that they would be taking over the operation of the restaurant. Here it says that when we requested permission to review the company's accounting records, we were informed the records were held by the company's accountant. However, no documents relating to the transactions since October 31st, 1984 had been passed on to the accountant.

As a result, the accounting records have not been properly updated since October 31st, 1984, which is the last date a set of financial statements were prepared. Can you imagine that they've gone through November, December, January, February, March, before they put it into receivership and they didn't ask where the statements were; and, Sir, in the correspondence - and it's all available - there is a process that was laid out by the CEDF to the Beef 'N Reef Restaurant as to all

of the information that had to be presented to the government. As a matter of fact, they had to daily tell them how many steaks were sold, how many drinks were sold, just keep track according to everything because they were having problems.

That was all laid out and they put in an accountant. They named the accountant and then after Mr. Holm took over, it gradually worked back to being Mr. Holm's accountant and after Mr. Holm's accountant took over, Mr. Holm didn't give them any reports on the operation of the Beef 'N Reef Restaurant after October 31st, 1984. Now isn't that performance!

Mr. Speaker, I've heard it's a job for Sherlock Holmes, and I'll tell you, sorting it all out is something. As a matter of fact, Sir, I have every intention of requesting the Provincial Auditor to examine all circumstances regarding this situation.

When I said to you, Mr. Speaker, that people were hurt - do you know, when the government took over the management and the operation of this restaurant, and I know that this is standard, Sir, what I'm about to read right now, but this is also government. This is government looking at other businesses in the community because they took over the operation, and I read this in committee.

It says, to Ernie's Bakery in Lac du Bonnet, and it's signed by Mr. Jones. It starts, "The fund, the Crown Corporation is a major secured creditor," etc., etc., and I won't read it all, but I'll table it if you want. It goes on about the funds and the grants from Canada, etc.

"I have to advise you that the company's difficulties are such but we are attempting to introduce corrective measures to ensure its community and eventual profitability. In light of the difficulties now evident and under the rights given to us by share hypothecation agreement, we are writing to all unsecured creditors to ask them to consider accepting the following formula for payment of their accounts as full settlement, the formula being (a) 50 percent of the amount outstanding as at October 1, 1983, and (b) 75 percent of the account accrued from November 1, 1983 to March 1, 1984." Now, this is the nice part; this is government: "If the above formula is accepted unanimously, the business will continue to function and we would expect the company to continue to use your services henceforth on a cash basis. You will understand, in a case of this kind, if any of the undersigned creditors are unable to accept this formula, the inevitable conclusion would appear to be bankruptcy."

The government says, that's it fellows; that's government. I know it's a standard in most situations like that, but this was the government. The government took over the management and when they took it over they took it over from a group of people who had not managed it well and they put in all the money. — (Interjection) — Yes, that's a good idea. As my colleague suggests, maybe Sweeney could be called in to clear it up.

Mr. Speaker, that, I said, is a total mess. If the Ombudsman in his wisdom comes up with decisions of unfairness, this government has the responsibility to take care of those people that were treated badly because of their mismanagement.

I shouldn't be asking the Provincial Auditor, the Minister should be asking the Provincial Auditor to examine all circumstances surrounding this situation

so that he is making it clear to the people that he's above board and wants everything that is wrong to come out, but I haven't seen that yet, Sir. Those are the situations of mismanagement that this government has come up with.

Sir, I bring forward, I mentioned Tourism and I told the Minister all of the graphs were available to show everybody that Tourism has gone nothing but down since this government came into operation. Reports that come from the Department of Strategic Planning of Business, Development and Tourism, this says that travel from Minneapolis is down 1.2 percent, '84 over '83 - and had gone down previous to that.

We have a highways survey that tells us, Sir, that we have a minus 1 percent increase in people coming in our province on No. 1 Highway from east and west. It's not down in the east, but it's down from the west. The total overall is down.

Do you know, Sir, that in 1984 I used to say to the Minister of Tourism at that time who was and is a fine gentleman, I'd say how lucky can you be to be the Minister of Tourism and you have His Holiness the Pope coming to Manitoba and Her Majesty the Queen coming all in one year. You're going to have the biggest increase in tourism of any Minister ever had - it's down, Sir.

People travelling up Highway 75 and all of these reports are dated January and February, 1985. They're very up to date as far as '84 is concerned and they were written by Mr. Michael Bell, Strategic Planner of Development Branch, Business Development and Tourism, and this report says of Highway 75 and Highway 10 from the United States - down. Increase in tourist travel by road is down. The Minister will tell you overall tourism may have been up a little bit, but the travelling public and the overall tourism is up because Manitobans are travelling within Manitoba a bit more because of the dollar. You know, with all of the breaks the Americans have had because of the dollar during 1984, our transportation along Highways 10 and 75, of people bringing themselves to Manitoba are down.

Mr. Speaker, Saskatchewan's tourism industry is booming. I wonder why? The Minister will say because they're putting a lot more money into it or advertising. Do you really believe that Saskatchewan has that many more attractions than Manitoba, that they could advertise in such a way that would tell people that Manitoba doesn't have as many attractions or nice places to go as Saskatchewan does? I assure you, Saskatchewan has stolen our business. And why?

We have a situation where the Minister decided to take a look at Minneapolis and he went down there and put on a big show, took the police pipe band down. I will be asking him the total expenses for the extravaganza in Minneapolis by Order for Return because I have some understanding of the size of hotel rooms, one hotel room having a little swimming pool in it and these other things that happened.

Now, maybe the rumours here are wrong but I can assure you we will be asking. Mr. Speaker, he put on a reception in Minneapolis for all of the people to come in and talk about Manitoba. Did you know I am told - I say, I am told, but on good authority - there were more Manitobans in the room than there were people from Minnesota.

The staff, the pipe band - oh yes - and all of the lodge owners and everybody were there. You know

Manitoba has been putting on this reception for years where we go down when the Sportsmen's Show is on and we invite all the people to come in and the people that write Holiday Tours in Minneapolis to send them up here. We've been doing it for years. Now, all of a sudden, we have an extravaganza and I'm told that most of the people at it were Manitobans. We'll check on that. No wonder we're down and no wonder, Sir, business in this province has no confidence in these people. I have a Minister who defends . . .

MR. SPEAKER: Order please.

MR. F. JOHNSTON: . . . the payroll tax . . .

MR. SPEAKER: Order please.

The member's time has expired. Are you ready for the question?

The Honourable Minister of Business Development.

HON. J. STORIE: Thank you, Mr. Speaker, I don't intend to take up a lot of time on my one opportunity to lay some of my concerns and grievances, if you will, on the record. Mr. Speaker, the opportunity to make some comment on the remarks made by the Member for Sturgeon Creek is simply too attractive to pass up.

Mr. Speaker, we spent approximately three days going over the Estimates of the Department of Business Development and Tourism and throughout that time the member had his glasses with the dark clouds on and continued to see doom and gloom rather than sunshine. I suppose that is his particular prerogative.

Mr. Speaker, the member outlined some of the continuing, the ongoing problems that were experienced with the Beef 'N Reef Restaurant in Lac du Bonnet, and I don't think that I need to say that particular situation is unfortunate.

The Member for Sturgeon Creek didn't put on the record what the role of CEDF is, what capacity it acts in, what its purpose was. He didn't put on the record the fact that the previous government had equally disappointing and unfortunate incidents during their mandate.

Mr. Speaker, I could put on the record a number of enterprises which were less than successful, and perhaps one could, if one wanted to, detail, chronicle the problems that existed and the problems that were apparent from the beginning, we could certainly do that.

Mr. Speaker, if the member wants an example we could talk about the \$600,000 or \$700,000 that went to Pi-Mi-Chi-Ka-Mac in Cross Lake, and the Member for Sturgeon Creek knows that that did not turn out to be as credible, as helpful, an enterprise as one might have hoped. But, Mr. Speaker, the member talks about his particular file and I'll tell you why there is such a file. Because CEDF's mandate, Mr. Speaker, is to go in and offer assistance in areas of the province where there is (a) little access to financial services; (b) little access to financial advice; where it is to serve those people, who because of their particular circumstances, do not or will not have access to development funds, expertise through normal channels.

Mr. Speaker, it is not unusual for a corporation or a fund such as the CEDF to encounter difficulties. It

is recognized and its mandate is to be a lender of last resort. Mr. Speaker, I do know that the staff and the manager of CEDF operated on, I suppose, untraditional methods, by virtue of the fact that they were not dealing with people with long-term business experience.

Mr. Speaker, CEDF, by its very nature, has to remain flexible or else we have to abandon the hope that we can use CEDF as a vehicle for the establishment of enterprises in many parts of rural and Northern Manitoba. Mr. Speaker, CEDF has, and continues to have, I think a satisfactory record, given that it is a lender of last resort, which means it is accepting high risk ventures to begin with. It is accepting the responsibility to finance, to assist some training — (Interjection) — Mr. Speaker, the Member for Sturgeon Creek continues to yell from his seat. I gave him an opportunity to put his words on the record. I would appreciate a similar courtesy.

Mr. Speaker, the Member for Sturgeon Creek cannot have it both ways. We are going to act as a lender of last resort; we are going to remain flexible because we understand, (a) that those people have gone to other sources for assistance; and, (b) that the risks that we are taking on are risks that we assume are legitimate and sustainable and justifiable; and we can either abandon that hope and say, well we'll leave the market forces to play as they will in terms of developing rural enterprise, or we can assume a role. If we assume a role, we're going to have to assume that there are going to be mistakes made, that we're going to have to work with these people to the best of our ability, to the best of their ability, to make the enterprises succeed.

Mr. Speaker, we heard a litany of correspondence which I believe is extremely one-sided. It does not, in any way, — (Interjection) — Mr. Speaker, the record, as portrayed by the Member for Sturgeon Creek, in no way identifies the number of hours that were spent by staff in consultation, in meetings, in attempts to organize and make this particular enterprise successful.

The fact that each response was not documented the way the Member for Sturgeon Creek would want it, does not mean at all that staff were not there recognizing the problems and attempting to deal with them. Mr. Speaker, I know, as a matter of fact, that the staff of CEDF have been involved, attempted to deal with these problems from Day One, and there were considerable problems and no one is denying that.

Mr. Speaker, I think Mr. Jones put on the record the fact that in hindsight, CEDF probably should have made some different decisions and perhaps shouldn't have been involved to begin with, but there were a set of circumstances leading up to a decision to be involved, to provide the loan; and, of course, the availability of funding from the special ARDA program was a big part of that.

Mr. Speaker, I have said before on a number of occasions that the special ARDA grants serve as an incentive for many people to get involved in ventures that, on the surface, seem to be tenuous at best. I have a very grave concern that our involvement with special ARDA, in many circumstances, has proven to be more of a liability than a positive factor.

But the fact is that we did get involved. The decision to provide support, through CEDF, was made a board of directors that represent all areas of Manitoba, who

have a very broad and diverse background, from chartered accountants, to small business people, to representatives of various organizations. They operate through the general manager, who the Member for Sturgeon Creek has talked about, and, Mr. Speaker, they have to be given some freedom to manoeuvre, to negotiate with these individuals in the best interests of what they believe to be the best interests of the fund.

Mr. Speaker, we can argue about whether one individual or another individual was responsible. I don't believe that there is any clear-cut single individual that was responsible. I certainly don't believe that anyone who was acting on behalf of CEDF operated out of anything but the best of intentions. The best of intentions included, Mr. Speaker, salvaging the investment of the fund, salvaging the investment of the private individual, salvaging that operation so it could continue to provide employment in the community.

Mr. Speaker, we can argue about whether CEDF should have put this particular firm in receivership; should have appointed a manager; should have pulled out and liquidated sooner. We can argue about the dates that CEDF chose to do those things, but, Mr. Speaker, there are other examples and the member knows full well that there are other examples of assistance that goes a little beyond what would normally be extended by a credit agency which has turned out to the betterment of the enterprise and the investors.

CEDF operates in very unique circumstances and I suppose one could say that in hindsight this decision should have been reviewed, but I think that once the decision was made, it's up to the fund and up to staff to attempt, to the best of their ability, to salvage both the investment that was made on the taxpayers' behalf and the investment that was made by the people who were involved in the operation, and I think that was done.

Mr. Speaker, I'm not going to comment on the allegations and the concerns that were raised by one individual who was involved in this because there are obviously two sides to the story about who was responsible and who should have been left responsible and who should have remained in control and so forth. Those questions are not as easily answered as the Member for Sturgeon Creek would have us all believe. The Member for Sturgeon Creek believes that all is black and white and I can tell him for certain that that is not the case; that his particular view of that matter does not reflect the circumstances in their entirety and we will simply leave it at that.

Mr. Speaker, the Member for Pembina asks how I can defend the indefensible. I am not defending the indefensible. Mr. Speaker, I'm trying to elaborate on the circumstances of CEDF involvement and I want to put on the record that the Member for Sturgeon Creek did not acknowledge, in his opening remarks, the real role of CEDF, the fact that it is a lender of last resort, the fact that it has, out of habit and course of operation, dealt with individual businesses in unique ways because of its particular mandate, because of the clients that it is working with.

By and large, it has been successful. The Member for Sturgeon Creek knows that there were failures while his particular government was in power and there will continue to be failures. The overall success rate of CEDF

continues to be approximately 80 percent, the number of jobs created in the hundreds. Mr. Speaker, we're not backing away from that because of mistakes that were made in good faith, to protect the taxpayers, to defend the people who made the investment in the first place and to create those jobs. That's their mandate and that's what we were trying to do.

Certainly, if there are things from this particular failure that we can learn, then obviously we should be learning; but that doesn't mean that we should back away from taking those risks which we believe are appropriate and that's what the fund did. So, Mr. Speaker, without wanting to get into the mug's game of placing the blame squarely on the shoulders of one individual or one particular agency, I think there were clearly a lot of mistakes made. The results and the ramifications of those mistakes have been shared, as the member has acknowledged, by a number of individuals and by the taxpayers, unfortunately.

Mr. Speaker, the issue of CEDF is not the only one which raises the question of what is the role of government, of government agencies in the development of rural and northern parts of this province. We could talk about the role of Crown corporations such as Channel Area Loggers or the Moose Lake Loggers. We could talk about the role of government departments and government agencies in supporting training, supporting enterprise development in other parts of the province. It basically leads to the same question. At what point do you pull back and say, we're not prepared to look beyond the Perimeter Highway to assist development, to create jobs.

Mr. Speaker, clearly we have a responsibility to look beyond those which are deemed to be commercially safe by the banking institutions. We have a responsibility to look beyond the corporate interests, I suppose, or the institutional interests of banks - and that's what CEDF does.

The role of CEDF, I suppose, will be and has been debated in the Estimates and in the standing committee and I don't believe that I heard the Member for Sturgeon Creek suggesting for a minute that the government should abandon its attempts. I don't believe I heard the Member for Sturgeon Creek suggesting that CEDF does not have a legitimate role to play, and if that is the case, then there are going to be enterprises that don't make it because of the nature of their mandate. I will leave it at that, Mr. Speaker.

Mr. Speaker, the Member for Sturgeon Creek raised a number of other issues related to Tourism which I would like to deal with. The Member for Sturgeon Creek, during the Estimates, quoted a number of statistics that he had gathered from Statistics Canada, Statistics Canada surveys, from surveys of traffic on No. 10 Highway and No. 75 Highway. Mr. Speaker, he indicated that I would be saying that overall there had been an increase in overnight traffic of approximately 1.2 percent.

The suggestion that the tourist traffic going to Saskatchewan had increased wildly, I think, is also somewhat overstated. It is certainly true that Saskatchewan, like Manitoba, has experienced a growth in overnight traffic, but we have said that the experience of the last couple of years, particularly '82 and '83, in which we experienced a decrease in traffic to Manitoba, was not unique to Manitoba. In fact, Canada has a

serious travel deficit in the billions of dollars and Manitoba, likewise, has a travel deficit.

We believe there are two very clear-cut ways of eliminating that travel deficit. One of them is to target our advertising to make sure that we understand where our travel market is coming from and to make sure that advertising goes into those specific markets, and we're doing that. We also know that to reduce the travel deficit, we have to encourage Manitobans to travel in Manitoba and that is one area where we are going to be expending a good deal of effort, targeting much or many of our Tourism advertising dollars and encouraging the industry within Manitoba to sharpen its focus.

I suppose - and I said this in Estimates - that we could wish that the Department of Business Development and Tourism and the Tourism advertising budget could be doubled or quadrupled, but that is frankly not in the offing. Although our budget for marketing increased approximately 11 percent this year, we certainly feel that further increases are warranted and that is an area that we will be reviewing as we begin the 1986-87 Estimates. We will also be continuing to fine tune our particular advertising strategy so that we can get what they call the biggest bang for the buck.

Mr. Speaker, not only did we see an increase in overnight traffic of approximately 1.2 percent, and I point out that as opposed to simply day traffic, the overnight traffic is the traffic is likely to leave the most significant amount of money in the province, rather than the quick shopping tours or visiting friends and relatives or whatever; so it is a significant increase and will decrease our travel deficit.

Mr. Speaker, it is also true that in Tourism or in convention or visitors, convention business - we have seen a 66 percent increase this year in convention attendance, so we are seeing some increase in that.

Mr. Speaker, the member brought up the issue of the Minneapolis blitz. I don't know where the member's getting his information. I was there at the Festival Manitoba, the evening reception. There were, in my opinion, 200-250 people in attendance and I met many people who were not from Manitoba. I also know that the Travel Trade Show that we attended with individual businesses from Manitoba was extremely successful, was visited by hundreds and hundreds of people from the Minneapolis area. The shows that they put on at the centre - I forget what the name of the centre was, it was an open square - was observed by thousands of people. By all reports, the individual businesses which included some of the river boat companies and many hotels in the area, from their reports, the blitz was extremely successful.

The member may ask and has indicated he's going to ask by Order for Return for the cost of that venture. I can tell the honourable member that it was a lot less than the costs to the taxpayers of Canada for the live performance that was put on at the Shamrock Summit, Mr. Speaker. He will certainly get his information on that and I can tell him that the costs for this particular, what he calls "extravaganza," will be not much out of line from the costs that were incurred in other years but, in my opinion, did not have the same kind of impact.

Mr. Speaker, on top of that, we have the signing of a new federal-provincial agreement which commits some \$30 million over the next five years to Tourism

development in the Province of Manitoba. Mr. Speaker, despite the pervading gloom that seems to emanate from the Member for Sturgeon Creek, the industry itself, those people who are involved in the hospitality part of it, those are people who are involved in the accommodations and the lodges and outfitters, remain extremely optimistic, not only about the coming year, but the prospects. For the first time, we as a department have tabled with them a 1985-86 marketing plan. They know that the department has some clear-cut direction, and that's something that did not happen.

The members of the industry understand where we're going and, frankly, are working in a very co-operative way to see that we succeed and, of course, ultimately if we succeed, they succeed.

Mr. Speaker, I think I have covered most of the points raised by the member opposite in his grievance. I believe, Mr. Speaker, that we could continue to argue about a specific case in CEDF. I simply put on the record that it has a certain mandate. It is attempting to fulfill that mandate and to isolate an individual case and present half of the record and then claim that that represents the whole picture does no great service to truth and to light.

I put on the record that it has a substantially different mandate from the one the member opposite seems to think it has and it continues to function to fulfill that mandate. It continues to serve those communities and those individuals who by reason of geography or circumstances do not have access to other forms of financial assistance, serves a useful purpose, as it has created hundreds and hundreds of jobs over the last dozen years in Manitoba, jobs that continue to this day. The fact that there are failures should in no way discourage us from looking to use that vehicle in support of other parts of the province and, as I indicated, if we have something to learn from our mistakes, obviously, we should learn them and try and incorporate that knowledge into other ventures that are supported through CEDF.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I would like to request of you, Sir, that under Rule No. 46 it says "No member may speak twice to a question except in explanation of a material part of his speech in which he may have been misquoted or misunderstood, but he shall not then introduce any new matter and no debate shall be allowed upon the explanation."

Mr. Speaker, I was misunderstood by the member and I would like to clear up that misunderstanding under this specific rule, Sir.

MR. SPEAKER: The Honourable Member for Sturgeon Creek and Rule 46.

MR. F. JOHNSTON: Mr. Speaker, as I said, I can introduce no new material. The member when he was speaking said that I misunderstood the role and did not agree with the role of CEDF to create jobs in this province and do the work that they have done in this province for all of this time. I've produced material

while I was speaking to say that CEDF, a government corporation, had taken over and done their work with the Beef 'N Reef Restaurant and I didn't quote from anybody else, so you're misunderstanding it is this: I am saying that CEDF took over management of this company, of Beef 'N Reef Restaurant. The documentation shows that Mr. Jones and one other member of CEDF became chairman of the board and director and ran and operated that company while it went into receivership and lost money for this province and they ran it for more than a year. Records were lost according to this material which is not written by anybody else except CEDF and the Receiver who took over the receivership.

So, Sir, I at no time said that I disagreed or misunderstood the role of the CEDF. In fact, this side agrees with it. You will have, and you misunderstand the point that I said that you said that I don't realize that they will have failures. They will have failures. They'll have more now and they had some in the past and, Sir, they will continue to. Sir, I agree they will continue to but the failure in this case was owned or taken over an operated by the government. They also put money into it. They also put money into the business when they said they wouldn't be doing so.

The misunderstanding, Sir, is not that I don't understand the role of CEDF. I understand the mismanagement of CEDF in this case . . .

MR. SPEAKER: Order please, order please.

The purpose of our Rule 46 is to enable a member who has been misunderstood to correct and explain the remarks. It is not intended for an argument to be repeated or for the member to make a new argument.

Are you ready for the question?

The Honourable Minister for Business Development.

HON. J. STORIE: Mr. Speaker, under Rule 46 which we know and love so dearly in this Chamber, I would like to point out to the Member for Sturgeon Creek that he has misinterpreted what he said about my misinterpreting his misinterpretation.

Mr. Speaker, what I said was that the staff of CEDF and their actions were to serve the interests of not only the taxpayers, but the people who had invested in that particular enterprise. They did that because the nature of their particular enterprise requires flexibility.

MR. SPEAKER: Order please, order please.

I thank both honourable members for that explanation. There should be no need of further explanation.

QUESTION put, MOTION carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for River East in the Chair for Agriculture, and the Honourable Member for Burrows in the Chair for Government Services.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - GOVERNMENT SERVICES

MR. CHAIRMAN, C. Santos: Committee, please come to order. We are considering Item No. 4.(a)(1) Project

Services, Executive Administration: Salaries; 4.(a)(2) Other Expenditures - the Member for Elmwood.

MR. R. DOERN: What is the basic minimum standard for civil servants, in terms of office space? I guess that's where I'll start.

MR. CHAIRMAN: Mr. Minister.

HON. J. PLOHMAN: The standard space is 100 square feet per civil servant. The exceptions to that are the directors, I believe it's 150 square feet and the ADMs, 200 square feet; and for secretarial staff, I believe the standard is 50 square feet.

MR. R. DOERN: Mr. Chairman, then I want to draw to the attention of the Minister my own allocation, which is substandard. I have an office on the main floor that is 64 square feet, full of equipment and filing cabinets, etc., and I share this with my secretary and it becomes impossible because, basically, what we do is we have one chair and desk and it only really accommodates one person. I was just wondering whether the Minister has any plans to revise or restructure the space within the building.

It would seem to me that I should be entitled to at least a minimum, and given that I have a secretary who also shares that space, unlike the caucuses where the secretaries have their own space, that this space is in fact inadequate.

HON. J. PLOHMAN: Mr. Chairman, there are a couple of points to be made there. I guess when the MLAs' offices were set up there was no minimum standard set for them in terms of square footage, and the renovations took place to provide for these offices some years back so we were not involved directly in the design of the offices at that particular time.

A number of MLAs have actually utilized that office before the Member for Elmwood was allocated that particular office. It would seem to me that we have to look though at how we treat independent MLAs in terms of space requirements, and we should look at that in conjunction with the review that the former deputy is doing with regard to the space allocation in this building. We could also look at the matter there.

I think the other area or the approach that the member should take is through the commission, Legislative Management Commission, to have his colleagues and peers consider his situation and perhaps make a recommendation to the Minister of Government Services from that body to look for some revision of the space that's allocated to him at the present time. That would seem to me the proper way to do it. That doesn't pre-empt us from looking at it independently, but I believe that that is the proper body to consider that.

MR. R. DOERN: Well, Mr. Chairman, I'd only say in passing, it was clearly a political decision, not a space decision, and I would like to have an opportunity to speak to the former deputy. I don't know if you're talking about . . .

HON. J. PLOHMAN: Brako.

MR. R. DOERN: Mr. Brako? Maybe when he's making his survey, he could speak to Mr. Carroll and myself. We'd be happy to talk to him.

HON. J. PLOHMAN: We could have that. Thank you, we will take you up on that suggestion.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Mr. Chairman, following along on that same thing, I don't know whether the Minister is aware, but I believe it is the policy of the management commission to hold closed meetings. If that is the case, how would an independent member who is not on that commission make his request known?

The Minister of Government Services, if he has any influence at all to the Legislative Management Commission, I would strongly urge him to make those meetings open, so that members who are not on that commission can go to that commission and make their representations there. Because as it presently exists, I believe - I'm not positive on this - but I believe they operate on a closed committee.

HON. J. PLOHMAN: Mr. Chairman, I am on that commission and of course, by legislation, there are a certain number of members designated to the commission from the caucuses and that is spelled out by legislation. But that doesn't pre-empt an individual member from making representation to the commission on a matter that he or she considers important, and that would be as simple, I believe, as contacting the Clerk and asking to be put on the agenda. I don't think there are any roadblocks in place that would pre-empt an individual member from making representation to his colleagues on the commission and bringing forward his particular concern.

MR. R. DOERN: Mr. Chairman, all I'm saying is that I think it's clear that we had a political decision, not a decision based upon need or requirement and if the standard is 100 to 150 feet for an MLA and 50 feet for a secretary, then all I'm saying is that my secretary and I are both crammed into 64 square feet, which is clearly substandard.

I would say to the Minister, if he had the will, I think he could find decent accommodations. So I would like to speak to his space planner and if necessary, on another occasion, I will appear before the committee to discuss this matter. I discussed it with them about a year ago when the event took place, but it's clearly a question of will; it's not a question of space standards or availability; it's a case of the government determined to punish somebody who stood up to them and that's about where it's been for the past year.

MR. CHAIRMAN: The hour is now 4:30 p.m. We are interrupting the proceedings of this committee for Private Members' Hour.

Members of the committee shall return at 8:00 p.m.

SUPPLY - AGRICULTURE

MR. CHAIRMAN, P. EYLER: Committee, come to order. We are considering the Estimates of the Department

of Agriculture, Item 6. Policy and Economics Division (a) Administration: (1) Salaries - the Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, I have a series of questions that I'd like to raise regarding the Manitoba Natural Products Marketing Council. Is the Minister prepared to deal with it at the opening of this section here or under the specific section? I've been trying a few times to get on in this area and I want to make sure that I get on at the right time so that I can spend a little bit of time on that one.

MR. CHAIRMAN: The Honourable Minister.

HON. B. URUSKI: Mr. Chairman, 6.(d) would be the item.

MR. A. DRIEDGER: Mr. Chairman, I wonder if the Minister could indicate whether there's any administrative changes in this section at all.

HON. B. URUSKI: In this section, no, Mr. Chairman, there is no change at all. There's two staff person years and there's no change from last year.

MR. A. DRIEDGER: I'll pursue this a little further. Is the Minister contemplating establishing a new board under this section here, dealing with the transfer of quota and the dairy industry, for example?

HON. B. URUSKI: Under 6.(d) the Manitoba Natural Products Marketing Council.

MR. C. MANNES: Are you on 6.(a), Mr. Chairman?

MR. CHAIRMAN: 6.(a)(1)—pass; 6.(a)(2)—pass. 6.(b) Policy Development Branch: (1) Salaries - the Member for Morris.

MR. C. MANNES: Mr. Chairman, can the Minister tell us how the appropriation under this particular item ties in with some of the policy questions and the staff support under No. 1? Are there two policy areas within his department and, if so, can he indicate where the separation lies between them?

HON. B. URUSKI: Mr. Chairman, I guess the best way that I can put this matter to the honourable member is that the two divisions, the Policy Development Branch that we are on and the Economics Analysis Branch are basically intertwined. One provides policy alternatives and discussion and analysis and the other, the economic analysis, does the interpretation of all the Statistics Canada and its own statistics in the various areas in which research is being done. They work, basically, hand-in-hand with one another and complement one another in the working up of policy development.

MR. C. MANNES: Mr. Chairman, I asked the Minister specifically what items, what areas of policy have been considered by this particular branch, bearing in mind that obviously the Minister or the deputy would have directed, I'm certain, most of their policy development thrusts to this group. Is the Minister at liberty - and I

would hope he would be - to tell us specifically what areas of policy have been considered by this branch over the year?

HON. B. URUSKI: Mr. Chairman, I can relate to the honourable member a number of involvements or initiatives that the branch has been involved in.

First off, the honourable member or his caucus would have received a copy of our report on the changes to the Western Grain Stabilization Program. The branch was instrumental in doing the background, the analytical and the presentation of these alternatives, which we presented to major grain companies, the Pools in Western Canada, the Western Provincial Governments and the Federal Government last November, as well as to members of the opposition here in the province.

We've had these proposals, we've had reactions and support from all Western Provincial Ministers of Agriculture. In fact, at the recent Western Premiers' Conference, there was unanimity from the western Premiers of support towards our proposals and the needed changes to the Western Grain Stabilization Plan. We're currently waiting for the Federal Minister responsible for the Canadian Wheat Board to establish a working group to refine the proposals and to develop the specific details for implementation.

This branch was also involved in the Hall Committee dealing with inquiry on the Crow benefit. With the Department of Highways and Transportation and this branch, we prepared the Provincial Government presentation and brief and presented it to the committee last November.

The committee report has recently been issued and of course the honourable member knows, since I've given him a copy, what the Provincial Government position is on the matter and its expected negative impact on the people of Manitoba. This branch, as well, was involved in chairing a federal-provincial task force. In fact, the Assistant Deputy Minister, Mr. Lee, chaired the federal-provincial task force on Agricultural Finance which prepared an excellent report on the action required to deal with the severe financial situation facing many farmers in this country.

The member should be aware that report was presented to the Ministers at the National Conference on Finance last November in Toronto, the results of which, of course, the honourable member recalls that there was virtually no action taken by the Federal Government on any of the proposals that were presented for discussion there.

As well, the branch was involved in the whole area of taxation and tax issues in agriculture, dealing with agri bonds, specifically. The area of consideration was Section 31 of The Income Tax Act and the changes required there, as well as in 31, how part time and beginning farmers are treated under The Income Tax Act and, of course, the taxation of Capital Gains in farmland were also referred to the committee. Work in that whole area was done and I made a presentation to the Standing Committee on Agriculture on behalf of the province on March 14th of 1985.

As well, the branch has been involved in work on an ongoing basis, providing advice and analysis and options to both myself and to the committees operating the Hog and Beef Stabilization Plans, some of the

needed work required of statistical analysis and policy alternatives, the branch provides as support to the Manitoba Beef Commission and to the committee operating the hog plan - both plans operating very successfully, I might say, Mr. Chairman.

As well, the branch has been involved in detailed work in planning and co-ordination of the Canadian response to the U.S. action on the countervailing duty on hog and pork imports from this country. We were directly involved in preparing a response to the U.S. Department of Commerce questionnaire and continue to defend information supplied when U.S. verification team visited Manitoba. Our staff assisted the U.S. team in clarifying and basically providing information to them which, I might say, some of the misinformation that the committee had, we were able to clarify on our program and the extent of which the province is involved through the stabilization program in hogs and how the plan works.

The branch is also involved in Federal-Provincial Committee on International Trade Relations. Our staff are involved in that whole committee which was established last year. It's recognized that international trade is the responsibility of the Federal Government, but our ability to export can have a major impact on the agricultural industry of other provinces.

This committee enables the province to have an input into agricultural issues in international trade that are of concern to each province. And of course the U.S. countervailing duty action on hogs and pork and subsidization of beef exports from the European Economic Community are examples of issues considered by the committee. This is but an overview of some of the issues that the Policy Branch has been involved in, Mr. Chairman, for the information of the honourable member.

MR. C. MANNES: Mr. Chairman, does the Minister have this particular branch closely watching developments in the United States with respect to the President's farm bill and its progress through Congress, or does our government and his particular Ministry receive most of the analysis with respect to that type of legislation, which could have a very long-lasting effect upon farmers of this province - do they receive most of the digestion associated with the President's bill from economic analysis in Ottawa?

HON. B. URUSKI: Mr. Chairman, I'd like to advise the honourable member that we get two Washington publications that deal extensively with this issue and we do have a perspective of our own in terms of analyzing what is happening in Washington, as well as utilizing Canadian information. We do not have anyone in Washington per se, following it closely, but we do monitor the situation by getting not only what information we get from External Affairs in Ottawa, but also publications that we get right from Washington.

MR. CHAIRMAN: 6.(b)(1)—pass; 6.(b)(2)—pass.

6.(c) Economic Analysis Branch: (1) Salaries - the Member for Morris.

MR. C. MANNES: Mr. Chairman, I ask the Minister whether the list of study and research project that have

been completed over the past year, whether there's any share of that that flows to this branch?

He talked earlier about policy in economic sections really being one in the same, or is there a distinction that he'd like to draw to our attention at this time?

HON. B. URUSKI: No, Mr. Chairman, basically there is no contrasting distinction. The analysis of the statistics and the numbers are done by this branch and it's in a complementary form to the Policy Branch and basically they work hand-in-hand.

MR. C. MANNES: Can the Minister tell me how many economists are on staff at this time and who they might be?

HON. B. URUSKI: Mr. Chairman, I'm advised that in the two branches there's a total of nine staff with economics background.

MR. C. MANNES: I ask the Minister if he could provide the names of those individuals to us? Can he do so?

HON. B. URUSKI: Yes, Mr. Chairman, as soon as they're written down for me, we'll provide the information. If the honourable information has any other questions, we can go on.

MR. CHAIRMAN: Order please. The hour is 4:30, time for Private Members' Hour. I'm leaving the Chair and will return at 8:00 tonight.

Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. The time being 4:30, Private Members' Hour. Under proposed resolutions, Resolution No. 8. The Honourable Member for Minnedosa has 16 minutes remaining.

RES. NO. 8 - CABOOSELESS FREIGHT TRAINS

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

I have no hesitation in supporting the resolution but I also have no hesitation in supporting the amendment that was proposed by my colleague, the Member for Fort Garry, wherein he urges the Canadian Transport Commission of the Government of Canada to conduct an independent test to verify the performance levels of safety of cabooseless freight trains being introduced by the railways, and also to request the Government of Canada to ensure that the railway industry be maintained and expanded in Manitoba, and the regional head office for Western Canada for CN remain in Manitoba.

Mr. Speaker, I think that is extremely important to the resolution as well as the resolution itself, urging the retention of cabooses on the trains until maybe some further testing and something a little more conclusive than what we have now. Some of the tests, I feel, are somewhat inconclusive, I'm finding as we approach the adoption of policies on the standardization

throughout Canada on the transportation of dangerous and hazardous goods.

This is very timely, I think, in having proper safety measures and proper detection devices in place with the railroads to ensure that we have no accidents that would be disastrous to not only employees but to towns and villages where they have through-train traffic. The studies that have been done to date would indicate that if there is not that human eye surveillance on the loaded freight trains, that shifting loads and things of that nature, fires along the right of way that are detected by the tail-end crew cannot be replaced entirely by electronic means even though some of them may be pretty sophisticated.

There is ample evidence of that in speaking with railroad people, and I have a number of friends in my own area who are long-time employees of the CPR who I think feel, to some degree, that if the company is bent on doing away with the caboose and the tail-end crew on the back of freight trains that this in time will probably happen.

They also indicate to me that in the short while they've had the scanners and the electronic devices in place, that they can cite many instances where there's been a malfunction or failure in these devices which would equal the number of times where the scanner has picked up a problem with brakes that have failed to release properly and created heating wheels and things of that nature that have pinpointed the problem on the train exactly. It might be 39 axels back from the scanner or whatever and when they check it out they find that the thing has been extremely accurate. There are a number of devices that are certainly going to be helpful. I think they can be used maybe in addition to the tail-end crew until such time as there's pretty conclusive evidence that the train can operate without that rear-end surveillance.

We know that with the size of trains now, they're getting 140- to 150-car trains. They're moving towards electronically operated units halfway back in the train that are all operated from the front end, but I think there are many, many instances that have cited in the number of hearings that were held where the crew at the back of the train detected shifting loads. This is important, Mr. Speaker, when they're on a siding waiting for another train to pass, if a load has shifted sometimes, there's not all that much clearance and it could result in extremely serious accidents.

Also with the size of the trains, it's becoming increasingly difficult for the tail-end crew to do a complete walk up and back on the train with the number of minutes that many of them are stopped. This comes from some of the older crew members who are getting close to retirement. Lugging a radio for communication back and forth becomes a fairly arduous task.

Mentioning the radio communications - many, many instances have been cited to me where the radio communication between the tail-end crew and the engineer or the crew in the cab have been far more clear and audible than some of the electronically controlled messages that are coming from the dispatcher's office or various other sections of the train crew. — (Interjection) — Albert, I'm speaking in support of the motion. How many railroaders have you got in your town, Albert?

There is no question, Mr. Speaker, as I mentioned, that the devices have been tested fairly thoroughly and

have produced some results that indicate to an awful lot of the employees that this is a move of the future. Apparently it is operating down in the United States to some degree, but they also have evidence that they've stated in their briefs that were presented to the hearings that were held by the commission that would indicate, in some cases, accidents could have been averted had there been a physical and eye-to-eye surveillance of shifting loads and of various other problems that arise with joints and hot boxes and things of that nature that many of them can only be detected if the train is stopped for some time and not passing scanners, or if they happen to pass inoperative scanners, these aren't going to be picked up but they'll be picked up by the tail-end crew.

So, Mr. Speaker, it's important to see progress and I'm in no way supporting carrying that extra crew if it's not necessary to have them. Certainly, the employees have to be protected. The railways have been talking to the unions about no loss of employment. There's a matter of attrition. There's a matter of retraining and reallocating the workload. It's been mentioned earlier about having the caboose as the only place that could support a stretcher with an injured person in the event of an accident. There's really no other place on the train to accommodate them, although we can find in, I think, most of the municipalities now have ambulance service and while that might not be a great inconvenience because ambulances could be on the scene very, very quickly with the methods of communication and transportation that we have to date.

Mr. Speaker, I think for the good of not only the employees but for the benefit of the towns that have the benefit of rail service running through them - I know in our particular area we have the steepest grade I think east of the Rocky Mountains. It necessitates, on many occasions, seven locomotive units to get the freight train up the hill on the west side and out into a little more level ground where they can travel a little more freely. The trains now are getting so long that in the Town of Minnedosa you'll have engine crew or the tail-end crew, whichever way it's going, at one junction section about a mile and a half east of town and the train will stretch right through town and be maybe a half a mile on the other side of town.

With the steep grade coming into town, if something should happen, a brake failure or whatever, there's really not much the crew could do. The man in the caboose would probably be hanging on and doing a little praying if there was a runaway train, I'll tell you. But if those brakes should fail, there's not much the engineer could do to stop that train from running right through the Town of Minnedosa, and should there be an accident at that time, it would be a very, very serious situation because it runs through - not a heavy residential area - but there are a number of residences close to the tracks and through the business area. — (Interjection) — Well my colleagues says, what would the man in the caboose do? Well when they stop before entering town, the man in the caboose may just detect that brake failure or that other problem that might be there and he may be able to control it or to stop the train from moving on into town where it might cause a bit of an accident.

So, Mr. Speaker, there is a need I think for further study to maintain the safety, not only of the employees,

but of those involved in the general area of the track. I also think it's been a timely amendment to the resolution to maintain the regional headquarters for Western Canada in Manitoba. I think we have a great rail system here and we're the centre of Canada and I think all of the freight generated in Eastern Canada travels through here on its way west, and it would seem to be a logical location to have the head office in Manitoba.

Mr. Speaker, I trust my colleagues will be voting for the amendment as well as the resolution when it comes to a debate, and as I've said before, I urge the CTC to request the railways to do more study with the devices that they're now proposing to replace the caboose with, and even operate it maybe in conjunction with the caboose for a time to conduct these further tests and ensure that the safety measures are there, before they carry on with their plan to abandon the caboose.

Mr. Speaker, I'm sure that there are many other members on that side and on this side of the House that want to speak on this, so I won't usurp any more of their time in order that we can carry on with the debate.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The Minister of Government Services.

HON. J. PLOHMAN: Mr. Speaker, I appreciate the opportunity to contribute to this debate on this very important issue facing railway operations in our country and to provide a basis for a subamendment that I would like to move to this resolution at the conclusion of my remarks here this afternoon.

I believe that the original resolution quite clearly outlined the concerns that we have and the need we were projecting on this side of the House for testing of trains with the ETUs with the cabooses in place. It seems to us very important that in the absence of conclusive information, as the Member for Minnedosa was saying, although there have been extensive tests undertaken in the United States, very little in Canada under our extreme operating conditions, that we should ensure to the extent possible that any testing that is carried out is done without sacrificing the safety measures that are in place at the present time.

My concern with the amendment that was introduced by the Member for Fort Garry is that it is glaringly lacking in terms of its reference to cabooses in the amendment. There is no reference whatsoever to the need for cabooses during the time that a test would take place. What is proposed is that the Government of Canada could conduct an independent test which, to me, is very narrow in the first place - and I'll elaborate a little more on that later - to verify the performance levels and safety of cabooseless freight trains being introduced by the railways.

It makes no mention that these tests should be conducted with cabooses in place and I think that flies against what the Member for Minnedosa was just saying, when he was speaking to this resolution. He was saying that we should have cabooses in place - I think that's what he said - when the testing is being undertaken and he obviously did not consult, or the Member for Fort Garry did not consult with him when he drafted this amendment, so we are going to have

to propose some changes to that to ensure that we do have a provision for cabooses in place. — (Interjection) — And we can't take anything for granted.

The Member for Minnedosa says, we'll take that for granted. I don't think we can take it for granted. That's the essence of this resolution; that's the essence of the whole issue that we have here in the House and there's reference throughout in the "Whereas's," Mr. Speaker, but of course the operative part of the resolution is the "Be it Resolved" sections and of course we have to say what we mean in those sections. We can't assume that it's going to be done in the way we think it should be done, so there is a need to amend that, Mr. Speaker, and we intend to do that.

I think there have been a lot of reasons stated and certainly the government has taken a strong position on this, as to the reasons why the cabooselless, the ETUs, I should say, end-of-train units, should be tested with cabooses in place, before any decision is made as to whether or not they could be moved out, cabooses should be discontinued. — (Interjection) — And, of course, the Member for Emerson says we're against progress.

That is the farthest thing from the truth, Mr. Speaker. We have stated publicly and clearly and officially to the CTC, to the hearings, that we are not against new technology that will improve the safety provisions for the operation of freight trains through our province. We certainly have emphasized that we always want them to be continuously looking at better ways to make trains safe and to improve the safety record. — (Interjection) — No, but there is need, Mr. Speaker. There is clearly need to improve safety. It's not a matter of replacing one with the other and saying, well, because we have a new technology on the scene that can do some of the things that perhaps tail-end crews could do, that suddenly they should replace the tail-end crew completely. That is a serious oversight in the thinking of the opposition.

In 1983, there were 482 accidents involving dangerous commodities. — (Interjection) — Oh, the Member for Minnedosa said he didn't say replace them, that's right. He was arguing for the original resolution; he was speaking to the original resolution. Since that's not on the table anymore, we will have to have a subamendment to ensure that his remarks are consistent with the resolution that we have here, Mr. Speaker. He was not speaking to the amendment.

A MEMBER: Well, how was he supposed to know what all this stuff meant?

HON. J. PLOHMAN: What he could have done, Mr. Speaker, in response to the Member for Pembina and the Member for Minnedosa - not the Member for Morris, I wouldn't want to confuse that - the Member for Minnedosa, not knowing what was coming, obviously he knew what was there originally and he did not stop his colleague, the Member for Fort Garry, from introducing a resolution that changed the intent. That's unfortunate. It's unfortunate that they did not caucus on this resolution and take the time to discuss it fully so that they would have a common position, Mr. Speaker.

Now, we will get to the head office in a minute - but I want to mention that there were 482 accidents

involving dangerous commodities. We're very concerned about that. There was a substantial increase from 1982. They were significant at some point; some of them were not as significant. A leak in dangerous commodities were also included in that, Mr. Speaker, but the point is, before a major catastrophe takes place, we have to, in all good conscience, ensure that all possible steps are taken to avoid that record increasing.

There is also a serious record in terms of injuries. In 1982, 766 injuries in rail accidents; in 1983, it was 554. There were 82 lives lost in 1982; 70 in 1983 in the railway system, due to railway accidents throughout this country. The members opposite are saying, where, where? I could certainly — (Interjection) — yes, in Canada, across the country; and that is of concern to us. So as I said, we are very much in favour of new technology being introduced by the railways to improve safety, but not at the expense of safety and that is where we part from those who would suggest that this testing should be done, without knowing what the results will be, this testing should be done without cabooses in place.

We would propose that the trains, in the tests, operate through different types of terrain in all types of weather and on every type of track found in Canada, utilizing all the various methods of route and traffic control; and that was one of the problems that I found with this amendment too in that it seemed to indicate a rather simple understanding of what is involved when it states that the Government of Canada should conduct independent tests.

There should be a number of tests conducted over a period of time in all kinds of conditions. They should be operated, the trains should be operated any time of the day or night and the dangerous commodity traffic should be included on those trains; they should not be excluded from the test trains. It's very important to get a realistic situation under which testing takes place.

The fact is that the ETUs cannot replace cabooses, as it looks at the present time. There would have to be something else supplementing it and it may be that the cabooses have to be retained and the tail-end crews have to be retained. We could go through so many different reasons why we feel that is the case, why we feel it's absolutely essential to have testing take place with cabooses in place until these can be shown wrong, the points that are made by various groups, that that can be shown it is not the case, Mr. Speaker.

The Manitoba Legislative Committee of Canadian Railway Labour Association recently presented a brief to the Cabinet of the government and in there they outlined 31 items that cannot be accomplished by ETUs that can be accomplished by the tail-end crews; and that's a serious matter, when we find so many different areas identified. They asked the question, can an ETU remind the head-end crew to reduce . . . I just mention, the Member for Morris should listen a little bit, not cut in and out as he day dreams. The Canadian Railway Labour Association, as I said, made a presentation to the Cabinet and they're made up of the Brotherhood of Locomotive Engineers, United Transportation Union and the Brotherhood of Maintenance of Way employees. They listed 31 points, as I said earlier, that could not be accomplished by ETUs that can be accomplished by cabooses.

They asked the question, can an ETU remind the head-end crew to reduce speed at junctions, railway

crossings at grade, etc., as per the uniform code of operating rules that are set out. They answer is no, and the answer is no for all of these and I could go through a few of those. Train orders are delivered enroute. Can an ETU ensure deliverence of the train orders? There's a uniform code of operating rule that sets out that requirement. Can this device confirm alertness and indication of signals as per the uniform code of operating rules, No. 281 and 293?

Pull-by inspections are required leaving terminals and en route. Can an ETU ensure proper placarding and placement of dangerous goods commodities? That's another requirement of the uniform code of operating rules and, of course, the answer is no. The ETU cannot do that.

Trains are being lengthened every day. Can this technology perform en route surveillance of rear portion of trains and detect a broken wheel, hot box fires, odours of overheated burnt bearings or smell leaking dangerous commodities? Again, the answer is no. Can the device feel a broken rail, a low spot or washout of the track? No, it cannot, Mr. Speaker. Is the device capable of detecting smoke, sparks, fires, sticking brakes? No, it cannot.

If springs fall out of a car en route, causing excessive sway, which could lead to a derailment, can this device detect it and stop the train? No, it cannot. Can it tell if lumber on a car's protruding out from a car or a chain is dragging alongside? No, it cannot do that, and the list goes on and on. There were 31 points made in that particular brief and I think they very adequately identify the dangers of getting into something like this without properly testing it first, with cabooses in place.

The concern is that in the United States a lot of testing has been done but the fact is that the applicants' witnesses suggest that rail records are incomplete and that failures are not being reported in every case in the United States where these are actually operating without cabooses. Railway data could, therefore, tend to overstate the performance of the equipment and that's why the independence of any test taking place is very important.

Those that are proponents of the cabooseless trains argue that trains already in operation in the U.S.- and we should remember here though that in the United States railways use shifted load-detecting devices to avoid accidents at bridges and tunnels, as well as to prevent collisions between trains in double-track territory - and no such equipment is in operation in Canada. Further, it is not in the railway's plans to acquire these safety devices to detect shifting loads, so there's another fact that has to be put on the record.

Evidence presented by the United Transportation Union witnesses from the United States discloses that they have been unwilling participants there in cabooseless train operations and are extremely concerned over the serious hazards cabooseless trains present to public safety and rail employees.

Opposition to cabooseless train operations in the United States is growing as would be reflected by the fact that 22 states have or are considering at the present time the introduction of legislation to prohibit the operation of trains without cabooses in their jurisdictions. That's a very important fact, that they have been operating without cabooses and now Legislatures in the United States are introducing

legislation to ban that operation. I think that's a very important fact.

The Province of Manitoba must express concern over the reluctance of the railways to agree to leaving the cabooses and crew in place at the end of the train during the test period to provide an acceptable level of safety. I wrote that in a letter to the CTC on February 5, 1985, to Mr. J. O'Hara, the Secretary of the Railway Transport Committee when we outlined, followed up on our brief that we presented at the hearings, we followed up on our brief urging the CTC to require the railways to have cabooses in place when they're testing ETUs in this country.

We are concerned that there will be a negative decision in that regard and I think that's why it's so important to have a resolution in this House gaining the support of the opposition to the concept that freight trains that are going to be operating in this country, during testing of ETUs, have cabooses in place to ensure that all of those provisions and all of those concerns that I raised and that others have raised, that the labour unions have raised are met while the testing is taking place.

With regard, briefly, Mr. Speaker, to the other section of the amendment that was introduced by the Member for Fort Garry, first of all, it was rather unrelated to the whole issue of cabooseless trains. It's very important fact and we all support very strongly the presence and the growing presence and the provision of jobs and the contribution to the economy of the railway operations in this province. We've always said that, Mr. Speaker. However, we have seen a mistake in the proposal that was made by the Member for Fort Garry. He had a good idea in that he feels it's important — (Interjection) — Yes, he felt it was a good idea that the railway presence is expanded in this province, so the first part of his second BE IT RESOLVED is very much something that we can support. He requests the Government of Canada to ensure that the railway industry be maintained and expanded in Manitoba and then he says, and that the regional head office for Western Canada for CNR remain in Manitoba.

The point is, the regional head office for Western Canada has never existed in Manitoba because there isn't a regional head office. It's the Prairie Region head office that has existed in Manitoba and the Mountain Region head office that has existed in Edmonton. The point is, there has not been, and the way it is written there it would seem to indicate that there is a regional head office for Western Canada that exists in Manitoba. That is not the case, and so we will have to make some amendments to this section as well.

What I'm going to propose, Mr. Speaker, in the very short time that I have left, is to move a subamendment, seconded by the Minister of Environment, Workplace Safety and Health, with his consent, that the "RESOLVED" clause of the amendments be amended:

1. by deleting the words "conduct an independent test" in Part (a) and substituting therefor the words "have tests conducted with cabooses in place and with provision for independent monitoring"; and
2. by deleting the words "of cabooseless freight trains being introduced by the railways" and substituting therefor the words "benefits of electronic end of train units"; and
3. by adding after the words "industry" in part (b) the words "and employment opportunities"; and

4. by deleting the words "Western Canada for CNR" and substituting therefor the words "the Prairie Region continue to"; and

5. by adding after the words "remain in Manitoba" the words "and report directly to CN headquarters in Montreal".

Mr. Speaker, I have a copy of that amendment - for the members' information copies of what the amendment would look like, the revised amendment, once you had approved - if you had approved the supplement that I'm proposing, I would like to provide both of those for the House.

MOTION presented.

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you very much, Mr. Speaker.

Speaking to the subamendment as introduced by the Minister of Transportation, I declare, Mr. Speaker, that the Minister and the government are obviously most desperate to somehow attempt to force the Conservative Party of Manitoba into what it is they want us to go, I don't know. Mr. Speaker, the subamendment on the surface, I personally don't have any difficulty with. Using the terminology of the Minister of Labour who said when the Member for Fort Garry made his amendment, he used the words, "I think, Mr. Speaker, the amendment still, as I have indicated, having maintained within it the significant statements that are provided in the preamble still provides the kind of reference that is acceptable to this member."

Now, Mr. Speaker, those are the words that were used by the Minister of Labour when he spoke immediately after the amendment introduced by the Member for Fort Garry. So, Mr. Speaker, I'll use those same words and then I'll also say, however, I have some reservations about the implied endorsement and the new subamendment introduced by the Member for Dauphin.

Mr. Speaker, the Minister in introducing the subamendment used a number of statistics. He talked about 82 lives lost. He sort of left the impression that all of these were tied into the lack of safety associated probably with errors made or with the fact that maybe if cabooses were being removed that number would increase. I guess I would ask him if I were allowed, how many of those lives were lost at level crossings because of human error or how many of them were lost because of the fact that those crossings weren't properly identified?

So, Mr. Speaker, I say to the Minister I don't believe that those statistics have a place in this debate, even though I can't help but think of the very first sentence used by the introducer of the motion, the Member for Concordia. This was the very first sentence used. "Manitobans have more than a passing interest in rail safety." Well, Mr. Speaker, how do you argue with a statement like that? We could start the debate on this issue using a statement like, Manitobans have more than a passing interest in efficiency. Manitobans have more than a passing interest in adopting technical advances, or we could say Manitobans have more than a passing interest in lowering freight rates if possible.

So, Mr. Speaker, I don't think there is great difference in the arguments here, there is not great difference.

We could start with that premise and bring safety quickly after it and be at the same point in time. Mr. Speaker, let's be honest with ourselves. When the Member for Fort Garry introduces an amendment that gives some purpose and direction to the original motion, why then does the Minister of Transportation bring forward a subamendment to attempt to round it out further? — (Interjection) — Well, he says to clean it up . . .

Nowhere in the speech given by the Member for Fort Garry did he indicate that we would support, during this test period, that trains should operate without cabooses. At no time did we say that. So, Mr. Speaker, this Minister with so little trust in members opposite feel that they have to bring forward another subamendment.

Well, Mr. Speaker, the Minister quotes the quotes where the unions have concerns with respect to 21 shortcomings . . .

A MEMBER: 31.

MR. C. MANNES: Or pardon me, 31, I stand corrected - ". . . with respect to 31 shortcomings of the present device that is in place." Well, Mr. Speaker, I wonder how many shortcomings there were 30 years ago, or whenever it was, that diesel engines first came in. How many shortcomings were there then?

Well, I think I made the point, Mr. Speaker, that the members opposite, particularly the individual that introduced the resolution and others, are not only arch-conservatives, but I dare say in a respect they're arch-conservatives. There is no progressivity whatsoever when they're looking at these issues. Well, Mr. Speaker, they are not all prepared to accept modern technology and are not prepared to look at it.

I find it almost impossible to believe when I look at the WHEREAS clauses, Mr. Speaker, and reference was made in the original motion to things like the failures of the prototype electronic equipment, the fact that the temperatures may affect batteries, and that wayside detectors provide inaccurate or no readings under some conditions, and that rodents would chew instrumentation such that the equipment in question might not work.

Mr. Speaker, that may be true, that may be a state of technology now, but why do the members opposite look at this in such a negative fashion? I can think of no better examples to prove my point, that they have to be more open to technology of the day and technology coming, than the two examples I'm about to use.

One of them I've gleaned from Maclean's magazine and it's talking about what the cars will look like at the 100th anniversary of the automobile. First of all - and of course Hansard won't record this - but here's an assembly line building cars and it says, "The Nissan plant in Tennessee," and, Mr. Speaker, the picture shows an assembly line with welding sparks flying every direction and not a person to be seen; not an individual to be seen along that whole assembly line. But what about the car?

Mr. Speaker, I'd like to quote where the technology is going to lead us within that industry in the next few years; some of the highlights about increasing technologies. "Intelligence cars which monitor essential

systems and electronically inform the driver about such matters as whether the oil needs to be changed or a tailgate is burnt out, as well cars that automatically correct such problems as frosted windows, without any participation by the driver at all, will soon appear on the market."

And another point: "Suspension systems which adjust ride firmness and angle automatically according to different road surfaces and speeds." Another point, "Anti-lock brakes;" and fourthly, "Wide-angled video displays to replace rear-view mirrors; and fifthly, "Advanced trip logs that compute, not only lapsed mileage, but also fuel economy and average speed and recommend when to stop for gas." And also, "Cellular radio currently being promoted in some urban centres which will allow most business people to use telephones in their cars."

But here's the best one. "Satellite navigation systems, the most dramatic advance, currently possible for cars. Already demonstrated on prototypes, the system uses a video monitor to display maps from the size of a neighbourhood to that of a continent, and on any map that indicates the exact position of the car with a small flashing square, making it almost impossible for a driver to become lost. That is accomplished by a receiver in a black box in the trunk of the car which picks up signals from global positioning satellites. Those satellites are able to determine distances on earth as small as 300 feet. By 1988, when the U.S. Defence Department has launched 14 more satellites, these systems will become entirely feasible for round-the-clock driving."

And, Mr. Speaker, we have members opposite talking about the electronic end-of-train units are affected by temperatures below minus 40. We have them talking about shifting material on the train. We have them talking about - where are some of the others here? - broken rails and talking about hotboxes. Mr. Speaker, that's the one example I wanted to use.

On my farm we're introducing technology in the area of sensing. We purchased this year a \$6,000 device to go on a gang of our seeding equipment, which will measure the depth of that seed within a quarter of an inch, instantly tied into the hydraulic system. So if that gang drops any more than a quarter of an inch it will automatically, on its own, come out.

A MEMBER: But isn't that the price of safety?

MR. C. MANNES: Well, Mr. Speaker, now we talk about safety. Mr. Speaker, we're talking about safety and then we talk about these batteries. The members opposite probably have within their homes smoke detectors; smoke detectors such that when those batteries run down the least bit, what do you hear? You hear a major ringing and you rush to correct that problem.

So nobody is going to tell me that within the next few years, a short number, there will be major advances that will address every one of these concerns, all of them safety related, each and every one of them. — (Interjection) — Well, Mr. Speaker, we have the arch-Conservative, the Member for Flin Flon saying I probably believe in Star Wars, too. Mr. Speaker, I believe in technology, and I believe it's coming, and those members on our side who are true Progressives

understand that. We're not tied into the past by the

Mr. Speaker, one of the best comments coming from one of their members - and I will not provide his identity because I'm sure, first of all, he would receive the wrath of his colleagues and worse than that, the wrath of the unions - I asked the individual in question, what do these brakemen do? He says, well they just basically look at the gauges that tell them about the brake pressure on the train and they will look out now and then to see if there are some cars up ahead that are leaning. And I said, well, how many are in the caboose? And the individual said that there are more than one. I said, well do you need two people to do that? And the individual said, no, but there's always one awake.

Well, Mr. Speaker, let that member - and I don't think it's fair to disclose these confidential conversations at different times - but don't let the members opposite stand up and say the issue here is totally safety, because we know it isn't; but there is a safety component. We recognize it, but we will not bring forward or support a resolution that makes no reference whatsoever to the fact that technology is here and it's increased and it has great application, I dare say, in situations such as this. — (Interjection) — Well, Mr. Speaker, the member said why didn't we put it in our amendment? What did our amendment say, Mr. Speaker? Our amendment said we urge the Canadian Transport Commission and the Government of Canada to conduct an independent test to verify the performance levels and safety of cabooseless trains.

So, Mr. Speaker, let the record show where we stand on the issue. Yes, we're concerned with safety, but let's realize there's a major component here that brings forward technological advance which has a potential benefit to many of us who use the railway system for the moving of our goods. I know there'll be members within our caucus who will speak more specifically to the question.

Mr. Speaker, from a personal standpoint, I have no problem whatsoever supporting the member's subamendment. My inference from his comments, I believe that he hopes that this time of testing will take 15 or 20 or 25 or 30 years, so that there are jobs guaranteed for another generation. So, Mr. Speaker, we're well aware of the intent of the Minister.

I have no difficulty if the tests can be conducted in the span of the next year or two - seeing in place, maintained - the cabooses, I have no difficulty with that whatsoever. I've talked to the former Vice-President of the Prairie Region, Mr. Fletcher, and he told me all about this box about a year-and-a-half ago and how it was being used in the United States without any grave difficulty. He impressed upon me more than anything was the fact that the technology coming within this whole area for safety was so rapid that you could hardly stand still and test each one of them at a time, because the advent of new technology was coming so quickly that you, really, if you were going to test them over a period of time, you'd be pushed out and testing out 15 or 20 years. Maybe that's what the member wants, and I can't cast aspersions on him, but if he were interested in those death statistics like I know he must be, he would want quickly to move all these and other advances that are coming very quickly, Mr. Speaker.

Well, Mr. Speaker, the resolution, I don't know how cabooses are going to deal with the 82 deaths which have happened through human error mainly at level crossings. I don't know what his resolution has to do with that. Mr. Speaker, almost the most insidious part of the arguments used by the members opposite, particularly by the Minister of Labour, was that dealing with fire. I have a hard time believing that in very many situations individual brakemen today sitting in the caboose are able to detect a large percentage or any significant percentage of fires that are started by train.

I suppose I was first introduced to this whole subject of train fires by my grandmother who used to tell me about the massive prairie fires that were started years ago in the days of steam. Of course, those were the days of the eight-foot marsh grasses that were never cultivated and the sparks that flew and, of course, the walls of fire. I dare say today under those types of situations, I don't care what crew you have, you're not going to stop those instant fires that become a wall before that two-mile train has even reached that point, Mr. Speaker, but they are today.

Where the piece of brake shoe is going to fly into some material that is going to combust, but only after a period of time, then again that brake . . .

Mr. Speaker, you're looking at me - I take it that means my time is up. I just wanted to go on the record as being certainly opposed to the first motion, the first resolution and members opposite, I think, will discuss more deeply the subject.

MR. SPEAKER: Order please.

The honourable member's time has expired.

The Honourable Minister of Northern Affairs.

HON. H. HARAPIAK: Mr. Speaker, I would like to rise and speak in support of the subamendment put forward by the Minister of Highways. I am sure that I will be bringing a different perspective to the debate having worked as a railroader since 1964. I have seen many technological changes on the railroad since 1964 and I can assure the Member for Morris that we are not opposed to technological change. We realize it is a changing world and the transportation field is changing as quickly as any other field - possibly more quickly because of the time that there wasn't that much technical change taking place in the industry.

Since I started in 1964, I have seen many changes take place directly connected with the caboose. When I started in '64, I worked mainly on the head end of a caboose as a head-end trainman. That's where the person with the least seniority worked and it wasn't very often we had an opportunity to ride in the caboose, but in those days the caboose served as a bedroom for the crews and as we came to a terminal the cabooses were taken off and there was a lot of pride taken with the conductor - it was his caboose - and he made sure it was well looked after when we came to the terminal.

There was time lost at the terminal which caused unnecessary delays for the train crews so within a few

years after I had started working on the railroad, there were the run-through cabooses that came through. Many changes were in existence and improvements made in those cabooses were present in the run-through cabooses. It was very electrified, whereas in the early days the cabooses had coal-oil lamps and oil stoves and there were many improvements made. In the new cabooses there were all electric lights and electric markers and these cabooses would run through from where they get on the freight train they went through from Winnipeg right to Churchill or wherever the train was destined for.

There was a lot of resistance from the crews when the run-through caboose was first proposed; and having worked on the railroad, I could understand why the conductors resisted that change. As I mentioned previously, there was a lot of pride involved in each caboose and they took great care of them. Once the run-through cabooses came, it did eliminate a lot of unnecessary lost time at each terminal, so this did pick up the pace of when a freight train would get through some of the smaller terminals.

Mr. Speaker, there were several other technological changes taking place very early in the years that I was working on the railroad. When we first started, there were very few radios present and we had to relay signals by hand, so some of those long freight trains were already coming into being. The grain trains were up to 180 cars loaded with grain and if you ran into difficulty on the road, many hours were lost because of the terrain of the railroad and you had to space yourselves out in order to relay the signals to replace the broken parts or deal with the problem that did exist if there was a broken air hose or a broken knuckle or whatever problems the train crew was faced with.

But with the advent of the radios it increased the safety of the operations. I should say before I go any further that safety has always been one of the operating rules that is stressed to a very great degree by the railroad. When a new member joins the workforce, safety is stressed as a No. 1 priority and I think this is one of the main reasons that I have questions about the end-of-train unit.

I know that with the technological changes taking place at this time that we have to be aware of the end-of-train unit. As the Minister of Transportation moved in his subamendment, we have to be aware of the changes that are taking place in the transportation industry and we have to test it. But we believe that the testing should be done with the caboose intact.

MR. SPEAKER: Order please. When this resolution is next before the House, the honourable member will have 15 minutes remaining.

The time being 5:30, I'm leaving the Chair and the House will reconvene in committee this evening at 8 p.m.