

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Wednesday, 14 May, 1980**

**Time — 2:00 p.m.**

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion.

**INTRODUCTION OF BILLS**

**HON. GERALD W. J. MERCIER (Osborne)** introduced Bill No. 9, An Act to amend The Limitation of Actions Act.

**ORAL QUESTIONS**

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

**MR. HOWARD PAWLEY (Selkirk):** Mr. Speaker, my questions were to the Minister of Finance, but if the Minister of Finance is on his way I would defer posing the questions. Otherwise I would present my questions now to the First Minister.

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

**HON. STERLING R. LYON (Charleswood):** Mr. Speaker, to the best of my knowledge, the Minister of Finance is on his way.

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

**MR. SAUL CHERNIACK:** Mr. Speaker, thank you. I've been holding back for a couple of days to ask the Honourable Attorney-General whether he will confirm that he has had two complaints dealing with certain books which appeared on book shelves and which were apparently removed and whether as a result of those two complaints he is launching prosecutions.

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

**MR. MERCIER:** Mr. Speaker, I know of one complaint by, I believe, Professor Stein. I'm not sure which is the second complaint the Member for St. Johns is referring to. Perhaps he is referring to the one by Mr. Vogel?

**MR. CHERNIACK:** Mr. Speaker, just to clarify, I don't know anything about a complaint from Mr. Vogel. Possibly the Minister received three complaints. As I understand it, this whole mess was started by a complaint from some lady who objected to seeing a certain title on the shelf and I thought that it started with that and that his Crown prosecutor thereupon proceeded to in some way to censor the books contained on the shelf. Those are the two I was referring to, that and the Professor.

Would the Minister clarify whether he has received a further complaint from a Mr. Vogel?

**MR. MERCIER:** Mr. Speaker, I received a letter expressing some concerns, not a complaint, that the publications in question are obscene.

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

**MR. CHERNIACK:** Mr. Speaker, I am sorry, I may not have heard whether the Minister replied whether or not he has launched prosecutions. I was disturbed for a moment and didn't quite hear the answer.

**MR. MERCIER:** I was attempting to answer the specific question put by the Member for St. Johns, Mr. Speaker, about Mr. Vogel's correspondence and I repeat that correspondence was not a complaint that the publications in question were obscene. To answer the further question, Mr. Speaker, of the Member for St. Johns, I can tell him that the City of Winnipeg Police Department received a complaint from a woman with respect to the two publications. The matter was reviewed by the Senior Crown Attorney at the Public Safety Building plus, I believe, at least five other Crown Attorneys to attempt to determine, in their opinion, Mr. Speaker, whether the publications in question were obscene, as set out in the Criminal Code of Canada. It might be helpful, Mr. Speaker, if I were to indicate the definition that appears in the Criminal Code because it points out, Mr. Speaker, the difficulty of attempting to administer this specific provision of the Criminal Code. Under the Criminal Code, any publication, the dominant characteristic of which is the undue exploitation of sex or of sex and any one or more of the following subjects, namely: crime, horror, cruelty and violence shall be deemed to be obscene. I'm sure the Member for St. Johns will agree that is a very difficult provision of the Criminal Code to administer. That is why, Mr. Speaker, the Crown Attorney in charge had the matter reviewed by at least five other Crown Attorneys. Now, that review having been completed, they were of the view that the publications in question, in their opinion, were obscene under the provisions of the Criminal Code. In an attempt to be fair to the booksellers, the national booksellers, with no previous record of any convictions and responsible people, they went to the publishers and said they had received the complaint; they had reviewed the complaint as required; in their opinion the publications were obscene and offered to the booksellers the opportunity to continue to sell it, or to remove it from the bookshelves. It was the option of the booksellers to take the book off the shelves, Mr. Speaker, and on that basis the Crown does not intend to prosecute the booksellers.

**MR. CHERNIACK:** Mr. Speaker, I thank the Minister for answering my first question. As a supplementary to my first question, may I then ask him whether it is now the practice of his department to review what they think may be a crime, and on

concluding that there is a crime, then to inform the person committing such crime that he has an option to stop doing it or to be prosecuted, and I mean that quite literally, that is exactly what the Minister described. Is the department prepared to give opinions of law and findings in advance of prosecutions and thus prevent, in this case, books from being made available to the public for their purchase?

**MR. MERCIER:** Mr. Speaker, there has always been some exercise of prosecutorial discretion. I'm sure the Member for St. Johns and all members of the Assembly are aware, for example, in an analogous situation, events where police have stopped cars who are speeding and simply warned them because of some other factors rather than giving them a ticket on the spot. In this particular case, Mr. Speaker, because of the reputation and the background and this history of this matter of the book sellers in question and the fact that they decided themselves to remove the books from the shelves, it was resolved that there would be no prosecution.

**MR. CHERNIACK:** Mr. Speaker, are we then to understand from the Attorney-General that henceforth — and we don't know for how long past — his department is prepared to — let me use the word threaten or intimidate or caution, which may be the word he would want to use — any book seller of any book, that if he does not remove certain books from the shelf, he will be prosecuted and thus lay himself open to possible conviction and certain legal expense? Is that then the practice of his department?

**MR. MERCIER:** Mr. Speaker, the future practice of the department will depend upon the circumstances of the case at the time.

### INTRODUCTION OF GUESTS

**MR. SPEAKER:** Order, order please. If I may have the indulgence of the House, I neglected, before Oral Questions, to introduce some visitors.

We have 46 students of Grade 8 standing, from the Virden Junior High, under the direction of Mr. Gordon Jones and Mrs. Manser. This school is in the constituency of the Honourable Member for Virden.

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

### ORAL QUESTIONS CONT'D

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

**MR. JAY COWAN:** Thank you, Mr. Speaker. I'd hoped to ask my questions of the Minister of Labour or the Minister of Economic Development, but seeing them absent I would ask the First Minister if he can indicate if his government has received notification from Dominion Bridge that they may be experiencing major lay-offs in the third and fourth quarter of this year; and can I ask him further to that, what action his government will be taking in regard to protecting the interests of the approximately 50 to 300 workers

who would be laid off if economic conditions affecting Dominion Bridge were not positively altered between now and the third quarter of the '80 year?

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

**MR. LYON:** Mr. Speaker, I'll be happy to take that question as notice on behalf of the Minister of Labour and Manpower.

**MR. COWAN:** Thank you, Mr. Speaker. Well, seeing as the Minister responsible for Economic Development has entered the Chamber, I'd ask if the Minister of Economic Development can indicate what specific action, or what budgetary policy the government has taken in regard to lay-offs that will take place this Friday at Allied Farm Equipment, that will reduce employment by approximately 25 persons, and when coupled with other lay-offs since December of 1979, have reduced employees at that workplace by approximately 25 percent. I'd ask him to indicate what economic action or budgetary policy they will be following to deal with that specific problem.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** Mr. Speaker, I'll take that question as notice and have discussions with the Minister of Labour. I'm sure that he'd be very interested in the department doing everything they can to work with those employees. I'll take it as notice.

**MR. SPEAKER:** The Honourable Member for Churchill with a final supplementary.

**MR. COWAN:** Yes, thank you. As a final supplementary to the Minister of Economic Development, Mr. Speaker, I'd ask the Minister to indicate what action he has taken, or his government has taken, in regard to a plant closure at Custom Profile which has just taken place and lay-offs occurring this year at Behlen-Wicks Co. Ltd. in Brandon, Bell Foundry in Winnipeg and Ray-o-Vac, but to name but a few of the recent lay-offs that are adversely effecting the economy of the province.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MR. JOHNSTON:** Mr. Speaker, I will take the question as notice and I hope the honourable member will read off the companies that have started in Manitoba as well.

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

**MR. PAWLEY:** Mr. Speaker, my question is toward the Minister of Finance. Can the Minister of Finance advise whether or not there will be further supplementary estimates tabled in the House pursuant to the announcement that there would be an additional 4 million expended by the province in regard to day care.

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

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, my impression is that its all contained in the estimates that were tabled last night, but I'll have a look and see.

**MR. PAWLEY:** Mr. Speaker, I would ask the Minister of Community Affairs if he would in fact confirm that the only amount requested under his department is the sum of 225,000 under the detailed supplementary estimates tabled last night?

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

**MR. CRAIK:** Mr. Speaker, I'll check on that question as well and get an answer for the Leader of the Opposition.

**MR. PAWLEY:** Mr. Speaker, then further to the Minister of Finance, should we then assume that which was announced last night really encompasses the earlier announcement by the Minister that there is no additional programming in effect.

**MR. CRAIK:** No, vice versa, Mr. Speaker, but I'll check out the supplementary supply question and get an answer for the member as to the location of the supply for it, but it is in addition to what was announced before.

**MR. PAWLEY:** Further to the Minister of Finance in last evening's address, the Minister of Finance referred to completion being required of negotiations with Ottawa pertaining to certain of the changes that he was proposing last evening. Could the Minister of Finance list those items that are subject to negotiation and will he then in the process confirm that he does not have the concurrence of Ottawa in regard to all the items that were announced last evening.

**MR. CRAIK:** That's partly the case, Mr. Speaker. There are some that I think are fairly automatic that are inclusions in the income tax form that's put out by the federal government, but the use of the definition of income under the Child Tax Credit which is our desire to use, as I indicated last night, will not be automatic, I expect, and it is subject to some further negotiation. The federal government has been advised late yesterday of all of the intended changes that we would want to have included in next year's income tax form.

**MR. PAWLEY:** Mr. Speaker, further to the Minister of Finance, has the federal Minister of Finance or the Department of Finance officials indicated to the Minister, at any time prior to last evening, that indeed they would not accept the redefinition of income?

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

**MR. CRAIK:** Mr. Speaker, we've had an acceptance some months ago by the revenue people, some reluctance on the part of the finance people.

Our position is still that if they follow true to form that they will accede to our request to use the income as defined in the Child Tax Credit for the purposes that we wish to use it, identically drawing a line out that they use in their income tax form now and we fully expect that they will proceed with it.

**MR. PAWLEY:** Mr. Speaker, further to the Minister. Can the Minister advise whether or not there has been any ministerial discussion between himself and his counterpart in Ottawa?

**MR. CRAIK:** Yes, Mr. Speaker, there has been.

**MR. PAWLEY:** Can the Minister advise whether or not he's received concurrence or rejection of the proposal that was made last evening from his ministerial counterpart?

**MR. CRAIK:** Mr. Speaker, I will be meeting with the Minister of Finance federally late this month.

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

**MR. SIDNEY GREEN:** Mr. Speaker, I'd like to ask a question of the Attorney-General further to the questions that have been posed by the Member for St. Johns. In view of the Minister's comparison of the caution of a book seller to one of a person exceeding the speed limit, is the Minister satisfied that the books involved represent a breach of the law in the same way as somebody exceeding the speed limit?

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

**MR. MERCIER:** Mr. Speaker, I would concur with the Member for Inkster if that is his position. The analogy probably wasn't a very good one, just an indication and there are numerous that could be used, Mr. Speaker, to indicate that prosecutorial discretion is exercised every day in the administration of justice in Canada.

**MR. GREEN:** Mr. Speaker, I certainly appreciate the Minister's answer and his problem. But may I ask the Minister whether it is the intention of his department and the government of Manitoba, to begin an attempt at keeping certain books, relative to matters sexual, off the stands in the province of Manitoba, as being obscene on the basis that some people have sat down and feel that they fall within the definition; or is it his intention to start a prosecution and see whether a judicial opinion can be obtained with regard to some of these books?

**MR. MERCIER:** Mr. Speaker, the Member for Inkster refers to some people. Might I point out to him that the some people are at least six experienced Crown Attorneys who have, as I've said, a very difficult job in attempting to administer the provisions of the Code relating to obscenity. But, Mr. Speaker, this is an area where the Crown only acts upon complaint. We've attempted, as I've said, to be as reasonable and as fair as possible with the book sellers, the people who would have to defend any such action. It is their choice; if they wish to continue to sell the books that's their choice, but they've been

warned that the Crown has had this matter reviewed and will prosecute. It may or may not be successful. It would be something that would be determined eventually, but it's been reviewed thoroughly as these cases have to be, Mr. Speaker, and I think we've been trying to be as fair and reasonable as possible with the booksellers, but it's their option in this particular choice and it was their choice.

**MR. GREEN:** Mr. Speaker, I will readily admit that I won't want myself classified as an expert in obscenity, but can the Minister tell me whether he, as an intelligent, educated human being, is prepared to have any six people tell him what he can read or what he cannot read.

**MR. MERCIER:** Mr. Speaker, as the Member for Inkster is well aware, the Department of the Attorney-General has the responsibility of administering the provisions of the Criminal Code. I can't help it that . . . or amend the definition of obscenity. That's been the subject of comment by people within and without the law for a number of years and continues to be a subject of great controversy, but we have to administer the law as it stands. The only way we can do that is by attempting, through a large number of Crown attorneys who have knowledge of the provisions of the law, the cases that have been decided under the law, to attempt to form an opinion as to whether or not any publication is in breach of the provisions of the Criminal Code. That has been done in this case and an opinion has been offered to the bookseller. He can either accept it or reject it.

**MR. SPEAKER:** The Honourable Member for Flin Flon.

**MR. THOMAS BARROW:** Mr. Speaker, I direct my question to the Minister of Finance. I have here in front of me, Mr. Speaker, two editions of the Tribune, today's Tribune, the early edition and the later edition. And the early edition headlines Craik the Fake: Sid Green Jeers. In exactly the same place in the later edition, we have, Elderly, poor will benefit from tax credit overhaul. My question is this, Mr. Speaker, what influence does this man have on the Tribune?

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

**MR. CRAIK:** Mr. Speaker, I think the more appropriate question would be, how does the Member for Inkster get all that influence?

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

**MR. LEONARD S. EVANS:** Thank you, Mr. Speaker. I'd like to direct a question to the Honourable Minister of Finance pertaining to the gasoline gas tax adjustments that he announced last night. I would ask the Minister if the new 20 percent gasoline tax that has been announced, whether that will be on top of the federal excise tax. In other words, does this mean that every time the price of oil increases at the wellhead and it is translated into a

barrel or a gallon of gasoline, will that include the federal tax and therefore does this mean that the 20 percent is on top of another tax?

**MR. CRAIK:** Mr. Speaker, actually it will apply to the retail price as it stands at the gas tank now. If you subtract the provincial tax that's now on, which is 4 cents a litre, it works out to the tax on the remainder is 20 percent, so therefore it applies to the total price of the gasoline. It's effectively a retail sales tax.

**MR. EVANS:** As a supplementary question then, to the Minister, Mr. Speaker. I note from the Estimates of Revenues which the Honourable Minister tabled last evening that there is an increase shown in taxes collected from motive fuel sources of 2 1/2 million and the gasoline tax is increased by 3 million for a total of 5 1/2 million, and my question is, what is the basis of this estimated revenue increase? In other words, Mr. Speaker, is the Honourable Minister basing this increase on some forecast or prognostication of future wellhead oil price adjustments?

**MR. CRAIK:** No, Mr. Speaker, the answer to the last question is no, but the member is reading from the left-hand side which is the last year's print, and last year's actual was higher than the print on that revenue. What you see on the right-hand side is very close to this last year's actual.

**MR. SPEAKER:** The Honourable Member for Brandon East with a final supplementary.

**MR. EVANS:** Well, we'll have to pursue this further when we get the final figures, but I'd like to ask another question of the Minister of Finance with regard to the information supplied by the Minister last night on federal transfers, federal transfers as they appear in the Estimates of Revenue. According to the document issued by the Minister last night, last year federal transfers amounted to 34.5 percent of total revenues received in Manitoba, and in this forthcoming coming year it's estimated that they will be 39.5 percent. That is an increase of 5 points. In other words, it seems from my reading of this document that of every 100 of revenue that the Crown of Manitoba receives, 40 of that will be received or will be forthcoming from Ottawa. My question is, what is the explanation of this? Is this because of a drop in population or some decline in our relative position vis-a-vis other provinces in Canada, or what is the explanation for the increase in federal transfer payments?

**MR. CRAIK:** Mr. Speaker, I don't have all that estimates information before me, but we can go into it in detail during the estimates review. I think the member is sort of leaving the impression that Manitoba is somewhat unique in this regard. These transfer payments take place — with the exception of equalization, of course — for the established programs funding and so on to all of the provinces in Canada. In our case we do, along with the provinces — I guess with the exception of Ontario, Alberta and B.C. — all receive equalization. Our per capita equalization receipts are roughly the same as

Quebec and New Brunswick on a per capita basis, and I suppose if you look at theirs you will probably find the same thing this year. There is nothing unique or different or planned in the estimates other than the numbers which we're supplied with by the federal government at this time of year.

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

**MR. HARVEY BOSTROM:** Thank you, Mr. Speaker. My question is also to the Minister of Finance and related to the CRISP Program which he announced last night in the White Paper. According to the White Paper which was introduced by the Minister of Finance, Mr. Speaker, it indicates that families with more than a prescribed maximum assets will not qualify for child-related support. It does not indicate in the paper what this maximum is. I wonder if the Minister could indicate what he has in mind as a maximum asset which would disqualify someone from qualification.

**MR. CRAIK:** Mr. Speaker, the actual value is yet to be set and will be stated in the regulations. I can't give him that number at this time.

**MR. BOSTROM:** Mr. Speaker, as a follow-up question to that, does the Minister intend to establish the qualification in such a way that people who own their own homes will not be able to qualify for this program?

**MR. CRAIK:** Mr. Speaker, I'm not really sure of the specific question the member is asking. Perhaps he could direct it again.

**MR. BOSTROM:** Mr. Speaker, it's related to the maximum asset qualification which is related to the CRISP Program which was referred to in the White Paper indicating that certain prescribed maximum assets will mean a person will not qualify for the child-related support program. My question is, does the government intend to establish the maximum asset prescribed level at such a level that a person who owns their own home will not qualify for eligibility under this program?

**MR. CRAIK:** Mr. Speaker, I think I can assure the member that was not the intent of that clause being there.

**MR. BOSTROM:** Mr. Speaker, the other question I had was related to the same program and in the presentation by the Minister last night he did not indicate how payments would be made under this program. I would ask him if they intend to set up a procedure by which people would receive a monthly payment or would the people who are eligible for this program have to apply for a lump sum at the end of the taxation year.

**MR. CRAIK:** Mr. Speaker, the administrative procedure technique would be similar to that now administered under the SAFER Program, which I think is a monthly cheque to the individual, but those kinds of details will have to be worked out for January 1.

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

**MRS. JUNE WESTBURY:** Thank you, Mr. Speaker. My question also is to the Minister of Finance in regard to the SAFER Program. Under the proposal to extend SAFER benefits to pensioners over the age of 55, was consideration given to extending this also to low-income working people over the age of 55 and to the unemployed but not retired over the age of 55, and if it was not given, is there hope that it can be so extended in the near future?

**MR. CRAIK:** Mr. Speaker, they would certainly in the event of having children, as the program also indicated, but whether it covers all of those areas or those definitions indicated by the Member for Fort Rouge, I doubt that it does. There will be cases where it perhaps doesn't, but it does cover the case 55 or under with children, families with children in low-income bracket.

**MRS. WESTBURY:** No, I was specifically asking about — it refers to pensioners over the age of 55 and I was asking about others over the age of 55. I was wondering if this can be taken as encouragement on the part of the government for people in the workforce to retire at the age of 55.

**MR. CRAIK:** Mr. Speaker, I understand there are other programs that fill the gap that she has indicated here, and perhaps in that case the question would be better directed to the Minister of Community Services.

**MRS. WESTBURY:** I wonder if the Minister of Finance or the Minister of Community Service can give us any indication of the number of people they expect to qualify under this provision, pensioners over the age of 55, and also the number that they can expect to qualify in the extension to pensioners over 55 of the Manitoba supplement to the elderly. Have they any approximate numbers that they can give us, please?

**MR. CRAIK:** Mr. Speaker, in getting into numbers, perhaps the best thing would be to take the question as notice. I don't have the actual numbers here but we can determine them.

**MR. SPEAKER:** The Honourable Member for Rock Lake.

**MR. HENRY J. EINARSON:** Mr. Speaker, I direct a question to the Minister of Agriculture and I would like to ask the Minister if he, or any official of his department, have had any communications with the officials of the Canadian Wheat Board as to when they're going to establish a program of delivering grains to the elevators in Churchill in the hope that the same kind of repetition will not happen as happened last year. This is something, Mr. Speaker, that the farmers of the Churchill hinterland would like some assurances of.

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

**HON. JAMES E. DOWNEY (Arthur):** I haven't communicated with the Canadian Wheat Board but I have been talking to the Grain Transportation Co-ordinator, Dr. Horner, this morning. He indicated that every attempt would be made to move enough grain into Churchill to start shipping the mid-June period, that there would also be efforts put forward to move the MV Arctic icebreaker in so that the shipping season could be opened earlier. So there is in fact attempts put forward to move grain into Churchill to start the shipping season early.

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

**MR. WILSON PARASIUK:** Thank you, Mr. Speaker, my question is directed to the Minister responsible for Manitoba Hydro. Can the Minister indicate if Lake Winnipeg Regulation is presently being used to store water so that Manitoba's electricity needs can be assured next winter, even if there is a continued drought?

**MR. CRAIK:** I understand, Mr. Speaker, that is now the program that Manitoba Hydro is on.

**MR. PARASIUK:** A supplementary to the Minister. Can the Minister confirm whether Manitoba Hydro will still be able to earn at least 60 million through exports sales of electricity, despite the drought, because of the operation of Lake Winnipeg Regulation, a regulation which has been condemned by the Conservative government?

**MR. CRAIK:** Mr. Speaker, I think the more germane question might be as to whether or not Lake Winnipeg, at the present time, is at any different level than it would be if it didn't have that regulation there. Mr. Speaker, Lake Winnipeg is currently being used for storage and there is — (Interjection)— Well, Mr. Speaker, the Member for Inkster gets himself worked up every time this topic comes to the floor. You know, Mr. Speaker, I think perhaps it would be worthwhile looking at, rather than look at storage alone, look also at the spillage that occurs from time to time.

**MR. PARASIUK:** Yes, I'd like to know if the Minister is now in a position to indicate to the members of the Legislature and to the people of Manitoba, how much money the people of Manitoba will both save and make through export sales, in this period of drought, because Lake Winnipeg Regulation is in place and operating; and would he pass that information on to Justice Tritschler who recommended against the Lake Winnipeg Regulation and proposed thermal plants which would be a disaster at present in the drought situation.

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

**MR. LYON:** Mr. Speaker, if I may take the opportunity to attempt to enlighten my honourable friend from Transcona, I would do quite the converse of what suggests, namely, to advise Mr. Justice Tritschler of the misinformation that has just been paraded in the House by the Member for Transcona. The converse should be done. The Member for

Transcona should read and try to understand what Mr. Justice Tritschler wrote in the Commission Report, which merely confirmed what any sensible person knew when that unfortunate construction was going on.

**MR. SPEAKER:** The Honourable Member for Transcona with a fourth question.

**MR. PARASIUK:** Yes, this is directed to the First Minister who has crept into this discussion without much information. Can he confirm that Justice Tritschler has suggested that Lake Winnipeg Regulation should not have been built but that rather Manitoba's hydro needs should be provided by thermal plants, which at present would be incredibly costly and would not make Manitoba any money through export sales, which is exactly the prospect for the future that this government is now trying to trumpet as being the economic base for Manitoba. And would he then look at the Tritschler Report to ensure that in fact he has the proper perspective instead of trying to propagandize something entirely different.

**MR. LYON:** Listening to my honourable friend, who is an intelligent member, Mr. Speaker, reminds me of the old axiom there are none so blind as those who will not see and my honourable friend is a living and walking example of that. I realize, Mr. Speaker, that from time to time it's necessary for ordinary folk like myself to try to engage the attention of socialists with respect to selling a product at a profit, with respect to selling a product at a profit. I merely remind my honourable friend and ask him to look for confirmation of it in the budget statement last night; that the power that is being sold and exported — and we're happy that some is being sold because my honourable friends paid very little attention to that aspect of it during their years in office — most of it is being sold at less than it cost to generate.

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

**MR. VIC SCHROEDER:** Thank you, Mr. Speaker, a question for the Minister of Finance. Can he advise the House as to the amount of funds which will be saved by Manitoba school boards as a result of accelerated payments to them by Manitoba municipalities, as opposed to accelerated payments to them by the government of Manitoba.

**MR. CRAIK:** Mr. Speaker, the estimated amount is 4 million.

**MR. SCHROEDER:** Is the Minister saying that it's 4 million which the school boards are saving as a result of accelerated payments by municipalities? — (Interjection)— Okay, how much is it then?

**MR. CRAIK:** Mr. Speaker, I didn't hear the member correctly. The amount, as I indicated in the budget, by the speedup of the provincial cash flow, saves the school boards an estimated 4 million. There are some estimates by the provincial auditor, I believe, that the municipal part would be somewhere around the 2 million figure, as I recall.

**MR. SCHROEDER:** Thank you, Mr. Speaker, a supplementary to the Minister of Finance. Has provision been made in this budget to provide that 2 million then to the municipalities who would be losing that amount of interest income?

**MR. CRAIK:** Mr. Speaker, it doesn't effect this current year.

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

**MR. RUSSELL DOERN:** Mr. Speaker, I would like to direct a question to the First Minister and ask him this, given three consecutive Conservative deficits and endless speeches that he's made about the fact of government deficits causing inflation, can we at least expect the proper period of silence from the First Minister, during which he will hang his head in shame over 140 million deficit.

**MR. LYON:** Mr. Speaker, the answer to the question is obviously, no. We will continue on this side of the House, Mr. Speaker, to attempt to instruct our honourable friends opposite, with respect to the proper handling of the taxpayers dollars which come into the hand of government as trustees, a relationship, Mr. Speaker, which was lost upon my honourable friends when they were in office. I merely remind him, Sir, of the situation that is set forth in the budget speech, which my honourable friends through red herrings and other devices will try to avoid. If they will look at the debt of this province, which is some 500 million more than it need have been because of imprudent foreign borrowings made by my honourable friends opposite, if they will look at the Tritschler Commission which by any reasonable account indicates that they spent hundreds of millions of dollars, of the taxpayers' dollars, that need not have been spent. Then when they have acknowledged these sins of omission and commission, then perhaps, Mr. Speaker, they may be in a position to read a lecture to any other reasonable government about deficits. Until they understand the kind of a financial albatross that they left around the necks of the people of Manitoba, they are hardly in a position to lecture anyone on financial prudence.

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

**MR. DOERN:** Mr. Speaker, this doesn't augur well for the future. Instead of more blue skies, it's more empty rhetoric. I would ask the First Minister how he can on one hand accept the money from Ottawa which has helped him reduce his deficit and on the other hand criticize the federal government for running a deficit.

**MR. LYON:** Mr. Speaker, if my honourable friend doesn't understand that, then he shouldn't be sitting in this House. My honourable friend should understand that the arrangements that are entered into between all of the provinces of Canada and the federal government are statutory arrangements for equalization. They were established some time after the Rowell-Sirois Commission Report back in the late

1930s. One of the leading exponents for the system of equalization, Mr. Speaker, was a distinguished predecessor of mine, the Honourable John Bracken, it being understood in those days and in days since, that there was a need to even out and share some of wealth in Canada in order that those provinces who met certain formulae that have been changed over the years would receive these payments from Ottawa.

Now, does my honourable friend understand that? That's compartment number one.

Compartment number two, Mr. Speaker, is then the responsibility of the government at Ottawa, to make sure that it is able to collect from the people of Canada and from all of the businesses and operations in Canada, sufficient moneys to meet its statutory obligations for payments of equalization and may I add, Mr. Speaker, for payments of cost-shared programs of great magnitude, most of which were initiated by that same federal government. And thirdly, to runs its own operations in a fiscally prudent way.

The criticism that has been directed by this government and by the Governor of the Bank of Canada and by all of the Premiers in Canada has really been that the federal government is not doing a very good job in the third category. I think even my honourable friend might understand that explanation.

**MR. SPEAKER:** Order please. The time for question period having expired . . . Order please.

## ORDERS OF THE DAY

### BUDGET DEBATE

**MR. SPEAKER:** Adjourned Debate On the Proposed Motion of the Honourable Minister of Finance, standing in the name of the Honourable Member for Kildonan.

**MR. PETER FOX:** May we have this matter stand and I'd like to say to the honourable gentlemen, I appreciate their applause. I don't get it very often.

**MR. SPEAKER:** It has been asked by the Honourable Member for Kildonan to have this matter stand. Is that agreeable? (Agreed)

The Honourable Government House Leader.

**MR. MERCIER:** Mr. Speaker, I move, seconded by the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Community Services and Corrections and the Honourable Member for Virden in the Chair for the Department of Agriculture.

## CONCURRENT COMMITTEES OF SUPPLY

### SUPPLY — AGRICULTURE

**MR. CHAIRMAN, Morris McGregor (Virden):** I call the Committee to order and we're on Resolution 8. The Member for St. George.

**MR. BILLIE URUSKI:** Thank you, Mr. Chairman. When we left off yesterday I was questioning the Minister with respect to the guarantees that the province gives in terms of the loans that are put out by the financial institutions and we were dealing with the Guaranteed Loans Program of MACC where the loans are up to a maximum of 60,000, and we were asking where is the upper limit of the guarantee of the Corporation and how much money is involved in that program.

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

**HON. JAMES E. DOWNEY (Arthur):** Mr. Chairman, I don't recall answering that yesterday.

**MR. URUSKI:** No, I know you didn't.

**MR. DOWNEY:** I believe that it's up to 10 percent of the accumulated amount of the amount that any one financial institute has loaned out to the farm community. I'm sorry, in addition to that, during a three-year period.

**MR. URUSKI:** Let me understand that. Up to 10 percent of the cumulative amount of loans in any three-year period. Is there a ceiling in which the corporation has, in terms of its guarantees on the amount of money, that there may be losses of several millions of dollars? There is no limit?

**MR. DOWNEY:** No, Mr. Chairman.

**MR. URUSKI:** Okay. With respect to the guarantees on the Specific Comprehensive Guaranteed Loans Program . . . Now, maybe I should go back to the Guaranteed Loans Program yet and ask the Minister, is MACC involved in the approval of the applications under that program, or is that program handled strictly by the banking institutions?

**MR. DOWNEY:** Mr. Chairman, he's referring to the . . .

**MR. URUSKI:** Guaranteed Loans.

**MR. DOWNEY:** Not to the Comprehensive Loans?

**MR. URUSKI:** No.

**MR. DOWNEY:** No, that's correct. My understanding is, it's the banks that approve those loans, or the lending institutes. But on the Comprehensive Guarantees the package is put together by MACC and guaranteed up to 200,000 maximum.

**MR. URUSKI:** Mr. Chairman, then in this program, in the Standard Guaranteed Loans Program, where the maximum loan is 60,000, the lending institutions make completely their own decisions; and in the Comprehensive Guaranteed Loans Program of loans up to 200,000, the province makes the decision on the loans and then the money is supplied by the banking institutions. Mr. Chairman, since there were

two loans made after the printing of the Annual Report, which is March 31, 1979, so the loans were made after March 31, 1979, could I ask the Minister, the loans that have a maximum amount of 200,000, could those loans be above the 200,000 limit?

**MR. DOWNEY:** No, Mr. Chairman.

**MR. URUSKI:** Then, Mr. Chairman, of what risk is there to the financial institution in terms of lending if the province, or the province through MACC, guarantees 100 percent of the securities?

**MR. DOWNEY:** I would think none, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, then the Minister's statements just yesterday, where he indicated, if I recall his words correctly, that he finally made a statement and admitted that the farmers in Manitoba, in his jurisdiction, are faced with a very severe problem of high interest rates and operating capital and are finding it very difficult during the springtime. And one of his key statements with respect to guarantees, he said it is not the government's responsibility to take the banking institutions off the hook, if I recall his words correctly. The banks have an obligation to carry the farmers of Manitoba, I believe those were his very words, and that MACC will not force farmers to make any panic moves in the areas that they are involved in, in terms of credit.

However, Mr. Chairman, with respect to the Guaranteed Loans Program, it's exactly the opposite to what the Minister has said. We have the province moving away, and I believe there is, and I said I agreed that the Minister of Agriculture should not be taking the banking institutions off the hook and that the banks have an obligation to farmers and rural residents, in general, in terms of providing credit and cash flow, but in the program that he said has been in place for two years — I think he said, it goes back to 1978 — the province literally is giving, what one could consider, nothing but a subsidy to the banking institutions.

Mr. Chairman, under the program not only do they guarantee 100 percent of the loan, but they are going to be transferring the rebate of 4 percent on the first 50,000 to the young lenders, to whom? To the banking institutions. Mr. Chairman, this is nothing else but a clear subsidy and a sop to the banking institution, where the Member for Minnedosa, whom he represents in the Cabinet and in the Caucus of the Conservative Party, and it is that group to whom this program is tailored. The Minister shakes his head and says no, that's not the case. I would want the Minister to tell me what is the case if the loans are guaranteed 100 percent and there is a rebate on those loans and there is no rebate on the other loans that the bank gets, in the regular guaranteed loans that the banking institutions make, what risk is there to the banking institutions under this program?

**MR. DOWNEY:** Mr. Chairman, the case that the member is trying to make that we are in a position of making rebates to young lenders, which would even be referring to banks, that is totally not the case. The 4 percent rebate goes directly to the young



farmer and if he's against that then I guess that's what he's saying, I can't understand his position. But the 4 percent rebate does go to the farmer. If he's a qualifying young farmer, that's who it goes to, not to the bank.

The program, as I indicated, was introduced in 1968. There are only two loans that have been guaranteed. The total package has to be put together by MACC, by the Manitoba Agriculture Credit Corporation. I said in this particular short-term problem that we're facing, I did not believe that it was in the best interests of the Credit Corporation or that we should be responsible for taking banks off the hook, and that's exactly the position I'm taking and sticking to.

For example, if a large amount of loans were to be coming in for this particular period of time to, in fact, the Credit Corporation, to put forward to the banking institute, they could in fact be refused because that's not the purpose of the program. The purpose of the program is to give long-term guarantees to the young farmer who, in fact, needs that kind of support by government. It hasn't been the most acceptable program, I guess — that's not the right terminology — but there haven't been a lot of people use it simply because the banking industry have, in fact, been quite prepared to deal with the young farmers in the community, that it hasn't been required. What our direct lending program hasn't looked after this particular program hasn't been used for.

So what I'm saying is it's a long-term Comprehensive Loan Guaranteed Program that we've entered into to help alleviate some of the problems, on a long-term basis, that the young farmers are having; but in fact, in the short-term, is what I was talking about yesterday, that the farmers were having some immediate problems and did not say where it was a responsibility of the government to pick up those responsibilities that the banks, I think, should carry on with. We don't intend to transfer a lot of bank loans through this program. In fact, I'm quite acceptable to accept new loans or new applicants on the long-term intent of that individual to be in need of that kind of a program. There is ability for the board of directors to make decisions, for the management to take decisions, and if in fact there is an indication that it is to the benefit of the lending institute instead of the farmer, then it would be in our best interest not to move forward with those proposals to the banks. So there is a control, Mr. Chairman, over exactly what the member is trying to say, is somewhat not being able to act in a responsible way.

So the case he's trying to make is somewhat pretty weak and it is a program that's available; there have only been two people have qualified under it and it's available to use. If people don't want to use, well, the Member for Lac du Bonnet says, only two, and I say yes. That's an indication to me that the lending institutions are and have been providing funds to that particular group of farmers who have needed lending programs, so I don't see it any major problem, Mr. Chairman. In fact, I think it's a credit to the banking industry and the farm community that the government haven't had to fill the full need of financing for these kinds of operations. But it is available to them and I said that from Day One in introducing the new programs with

the Credit Corporation. It was to in fact fill the gap between what the farmers could get from the banking institutes, the Federal Farm Loan Program, Canadian Lending Program and government and it has, by the way, worked very well. I think the indications of the participation in all the loans and the programs have been somewhat pretty well received by the farm community.

**MR. URUSKI:** Mr. Chairman, the Minister has stuck by his statement that only two people have applied and received loans under this program. Can the Minister tell me what difference does it make whether the moneys go direct to the farmer or direct to the bank in a program where the province guarantees 100 percent of the loan to the banking institution? What kind of limits does the province have on this program? What's the criteria that MACC is to follow in terms of where is the cut-off point in terms of the numbers of loans, the number of guarantees? Can these loans be used or have they been used to consolidate debt of loans that have been already in place by banking institutions, or are these existing loans? Could the Minister give us some of the criteria that MACC has to follow in this area and what amount of money or where is the cut off, in terms of the numbers of loans that will be let out under this 100 percent guarantee program?

**MR. DOWNEY:** Mr. Chairman, I would think that there are programs that are available to the farm community and let's remember, for the Member for St. George's — for that particular member's sake — the objective of the program is to help the farmers. I think we have to keep that number one in mind, that that's what the program is in place for and that's to help the farm community. If it's a combination of new loan, some possible debt consolidation, which is in the best interests of the farmer in helping that farmer, then I would suggest that it could be used for a combination of both. I have no problem in accepting that, because as I said, the objective is to help the farmer. I don't know the specifics of the two loans that have been guaranteed; they could be totally new loans or they could be a combination of the two. I don't think that's of any particular . . .

**MR. URUSKI:** Well, I think it is.

**MR. DOWNEY:** Well, the member says he thinks it is. I could suggest that it could be all new loans and if it is, then it's probably helping farmers that otherwise wouldn't be in the farming business. If it's a partial debt consolidation and new loans, then it's still helping the farmer to stay in business. If it's a total consolidation of debts, it could be a matter of a farmer not being able to carry on unless he got that support. So, when you put it in that light, I don't see how it matters to him or how it should matter to anybody what the money is lent for. If he can make a case otherwise, I would welcome him to do so.

**MR. URUSKI:** Mr. Chairman, either the Minister hasn't heard me right. The Minister says it helps the farmers — there's no doubt that the loan is designed to assist the primary producer in his operation. But, Mr. Chairman, from the public point of view, if the province of Manitoba is putting up 100 percent of

the guarantee in the loan and having to take second fiddle in terms of securities which are guaranteed to the bank, the banks get the securities on the first basis. As I recall the Minister indicated the guarantee securities are to be held by the financial institutions. The work is performed by whom? All the preparatory work is performed by the Manitoba Agricultural Credit Corporation, so basically, there is no work being done by the banking institution. Clearly, it's a transfer of loaning and security to the banking institution of which they have no risk whatsoever, Mr. Chairman. If there is no risk put up by the banking institutions, why would they not want to handle as many loans as possible because it means that the loans are 100 percent guaranteed, Mr. Chairman. There is no problem of the financial institutions taking on these loans and why wouldn't they? If I was a banker and someone came to me and said, look, all the paper work has been done by MACC, all the preparatory work has been done by the public and there is a 100 percent guarantee for the loan, wouldn't I as a banker want to say, by golly, that's the kind of program for me. And not only that, there is a rebate of 4 percent on the first 50,000 that the farmer is guaranteed so at least, if the payments aren't there, I will be able to take in the funds that are not there and the security is mine; I will get the first call on the money although I have to put up the money. And if the farmer doesn't pay, who pays? All the people of the province, Mr. Chairman. If the people of the province are putting up the collateral, Mr. Chairman, and doing all the leg work, clearly the administrative costs are a subsidy to the banking institution whom he says he doesn't want to take off the hook. If he's prepared to go that route, why did he not continue the guaranteed loans program of 10 percent guarantees and then carry it on? No, there is a preferential program.

**MR. BLAKE:** Ten percent of the total loan is made by the bank.

**MR. URUSKI:** Mr. Chairman, 10 percent of the total loans that are made by the bank. It all comes down to the same thing, doesn't it? It doesn't? Why doesn't it, Mr. Chairman, if the bank makes . . .

**MR. CHAIRMAN:** The Member for Minnedosa on a point of order.

**MR. BLAKE:** Mr. Chairman, the legislation has been that the guarantee covers up to 10 percent of loans made by the bank so if the bank loans out 10 million, they have a guarantee of 1 million. But if I make a loan of 100,000, it's not 10,000 guarantee, that whole 100,000 is guaranteed.

**MR. CHAIRMAN:** Your point is well taken. The Member for St. George.

**MR. URUSKI:** Mr. Chairman, just following the member's comments, if the bank makes 10 million worth of loans, there is a 10 percent, 1 million guarantee, no matter how you cut it, 10 percent — (interjection) — That's exactly the point that I have been making, Mr. Chairman, why not continue at least that line of lending. But what we are doing, we are going beyond that, we are going to 100 percent

guarantee. Mr. Chairman, you're right, it's the same thing, only it's 100 percent guarantee of 200,000; on every loan that is made of 200,000, there we've got a 100 percent guarantee to the banking institution. Clearly, it's a subsidy to the banking institution for the hope, and I think the hope that the Minister has indicated that the banking institutions will keep up the slack.

Mr. Chairman, I don't believe that is happening. I think the farmers of Manitoba are faced with a severe crunch this spring in addition to what they may face if the good Lord doesn't give us some rain, and this Minister is prepared to try and somehow come before this committee and give us the story that he is somehow on the side of the farming community in terms of his loans program. Nothing could be further from the actual fact of the matter, Mr. Chairman. This Minister is really assisting the financial institutions and saying to heck with the farmers, Mr. Chairman.

I would like to know, from the Minister, specifically on the two loans that they have guaranteed, whether those loans were completely brand new loans or they were a portion or completely picking up existing debt load that have been carried on by some other financial institutions; whether it be the banks or the credit unions? I won't ask for the names but I would like to know some of the background on the loans that have been made.

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

**MR. DOWNEY:** Mr. Chairman, in response to one of the other comments that the member made, one of the other comments he made as far as the province guaranteeing the loans and taking the banks off the hook, it's a matter of who we are guaranteeing is the farmer. We're guaranteeing that farmer is getting the funds that he needs to run his operation. I have indicated earlier that the banks have not seen fit to. He says, why aren't the banks flocking to it? There have only been two applications that have gone through. There is a control element by the Manitoba Agriculture Credit Corporation.

**MR. URUSKI:** The reason I asked you, what is it?

**MR. DOWNEY:** Well, the control element is whether they accept or recommend that they go through to the banks for financing, so it's in complete control. There is no way that the province is going to put in jeopardy. That's the reason a lot of the work is being done by the Credit Corporation itself, is to keep control over the types of loans that go through the banking institutes. It's a matter of providing more, and he suggests why do we not just carry on with the percentage guaranteed loans? We are in fact carrying on with it. It was a program that they had when they were in government; we didn't throw it out. It's been in place for a long time; we are carrying forward with that. We've tried to add to the support of the farming community. That's basically what the principle of the whole exercise is and we'll continue to do so. At this particular time, on the loans that are in place, I am informed that one of them is a consolidation of debt, that in fact one is and the other one, I don't have the information on it. But again, I see no problem with debt consolidation,

new loan applications, or a combination of the two because the objective is to help that young farmer or that farmer who is in need and that's basically what the objective is and will be.

**MR. URUSKI:** Mr. Chairman, doesn't the Minister feel that with this type of a program he is really creating a double class standard in the farming community? Some farmers will be eligible for loans of which their guarantees will be completely met by the province, the guarantees on their lending ability will be met completely by the province. So there is virtually no risk by the financial institutions, none whatsoever. All that is being provided by the financial institutions is the actual capital, Mr. Chairman, the work and the follow-up and the initial applications are being done by MACC. Whereas the other loans, Mr. Chairman, the farmer has to have some credit ability in terms of the loans and he can't get a 100 percent guarantee; his loan can only be guaranteed 10 percent of the aggregate of loans in the first three years that the financial institution makes. So he has to, in effect, stand alone, Mr. Chairman, on the basis of his own ability. Is this a fair policy that the Minister has come up with? I ask him.

**MR. DOWNEY:** Mr. Chairman, a person doesn't have to think too far to see how it compares with the programs that he and his past government were involved in. The maximum that anybody could get under the loan program he's talking about is 60,000.00. He knows himself how far 60,000 will go when it comes to financing a farm operation. We also have the Direct Loan Program, which farmers can borrow up to 150,000 which is processed by the Manitoba Agricultural Credit Corporation. There is a 4 percent rebate on the first 50,000 of interest or of loan for interest on those particular programs, too, and very well received by the farm community. In addition we have the 200,000 comprehensive guaranteed loan which is, in fact, another program which covers another section or group of farmers who need that support through the banking institute. So what we are doing, we've raised the limit from 60,000 to 200,000, and to be realistic, he knows what it costs to finance a farm unit. It's a matter of expanding farm programs or programs through MACC to service the farm community in a meaningful way. We, Mr. Chairman, have confidence in the farm community, in those farmers who are going out. MACC put the package together; the approval of the loan is put together by MACC. But in return, and that's something I failed to bring to the attention of the member, that up to the 10-year period, in return the banks have to lend that money at 1 percent, no more than 1 percent over prime rate, that's up to the 10-year period and anything over that — and this is being reviewed because I think that they should be able to do it for the full length of time at 1 percent — they can charge up to 1 1/2 percent over prime. That's money over 10 years, up to 30 years, the banks have to provide the money for that kind of cost. Now I think that is, again, a little higher than what it should be and I would say that I'm quite prepared to meet with the board and suggest that be lowered to 1 percent. But again, Mr. Chairman, let's look at the

record of the program, the history; we have had two people that have entered into it. So it really hasn't been that lucrative for the banks but, again, it has helped a few farmers. The banks haven't really jumped at it because they've been providing it for themselves. We are at a period of time where it's been introduced in July of 1978; we have seen that it's starting to be of interest to certain number of people. I think that the 1 percent would be quite sufficient when it is fully guaranteed and we'll be reviewing that particular aspect of it, and after the review of it, I'm quite prepared to make a change down to 1 percent on anything over 10 years.

**MR. URUSKI:** Mr. Chairman, the Minister tells us that this program gives an interest rate of 1 percent prime rate, plus 1 percent, the maximum that the banks can charge for the first 10 years. If I recall . . .

**MR. DOWNEY:** Mr. Chairman, just to be clear, I said that the banks could charge 1 percent over prime on loans up to 10 years; 1 1/2 money over and above 10 years. I said I am quite prepared and am reviewing whether, in fact, that 1 1/2 is necessary from the 10-year period and up to 30; that I would think that 1 percent would be quite sufficient to cover the needs of the lending institute. The member can come back and say, you're being far too kind to the lending institute in guaranteeing in that manner. Let's go back again and look at the record. How many of them have been accepted? Very few, Mr. Chairman, so I'm quite prepared to sit here and defend it. I think it's a good program that fills the capital needs of a certain number of farmers and that's what the objective is.

**MR. URUSKI:** Mr. Chairman, the Minister well knows that there is no risk on the banking institution in this case. The Guaranteed Loans Program, up to 60,000, is also at a rate of prime, plus 1 percent, on the 10-year repayment. So the remuneration to the banking institution in this case, as in the Guaranteed Loans Program, is the same. Yet, Mr. Chairman, in this program not only is there that remuneration but there is a 100-percent guarantee. The Minister tells us only two loans have been made. Mr. Chairman, would it not make sense, in this time of our history of the crisis that many farmers are facing, to provide a program — if he says this program is not being taken up by the farmers. We know the crunch that the farmers are in, in terms of the cost-price squeeze, in terms of their input costs this spring and the credit problems that they are facing, would it not be a case this spring of using this program, which he says is not being really overly used by the farmers, and splitting this program up, Mr. Chairman. If the province is prepared to give 100 percent guarantee on 200,000, why wouldn't the province be prepared to give 100 percent guarantee on, say, a maximum of 30,000 of operating loans to the producers this spring? That would not only cover six times the amount of farmers, in terms of operating credit in a loan which the province is prepared to guarantee 100 percent anyway, would that program not work to the benefit of the producers in Manitoba this spring who have been facing for the last several months — the Minister has been aware of it — of a credit crunch.

So why wouldn't the Minister consider a shift in this program since he said himself, only two people have taken advantage of this program since it was announced in July of '78, which we didn't have any commentary about in the March 31, '79 Annual Report of the Manitoba Agricultural Credit Corporation. Surely the Minister must be prepared to take another look at this program and say, hey, you know, if only two farmers have taken advantage of this program, maybe in this time in our history, where farmers are faced with the pressures that they are being faced now this spring, maybe we should change the direction that we have taken and do some imaginative thinking in terms of providing credit for the farmers who are in trouble. Can the Minister take that under advisement and give us some comment?

**MR. CHAIRMAN:** The Minister of Government Services.

**HON. HARRY J. ENNS (Lakeside):** Thank you, Mr. Chairman. I think the Honourable Member for St. George is overlooking a particular aspect of this matter and that is that no responsible bankers enter into loans with anybody without some reasonable and, indeed, their professional judgement being exercised as to the capability and the capacity of the lender or the person that is borrowing the money to, in fact, that the use of this capital will be a help to that farm operation and will assist in developing a viable farm operation. I think, Mr. Chairman, more germane to the fact is that in the long history some form of government guarantees to the banking people in providing these kinds of loans should be looked at. I don't think that the public has had to be called upon in any substantive way at all in terms of pressure on their moneys to stand by these guarantees. I think farmers, generally, have to be congratulated in this manner and also the banking community. Perhaps one of the most effective form of guarantee program has been the federal program which laterally is found in disuse because of the interest rate situation and I refer to the very popular farm improvement loan program that, for many years, I believe since the year 1945, poured multimillions of dollars, needed dollars, capital dollars, into the farming industry. I dare say, and it would be interesting to find out, I appreciate this is another jurisdiction, but the call on the Federal Treasury who, in this instance, provide a guarantee was minimal, was minimal, and it would be interesting to know that even before we anticipate, as the Member for St. George has, totally irresponsible banking practices that would lead to any substantial drain on the public purse, it would be interesting to know to what extent or if the Minister has any figures over the number of years that the provincial government has been guaranteeing bank loans of one description or another through this program, what in fact has it cost the provincial Treasury. Does the Minister have any information at all that would indicate that the program is costing the provincial Treasury anything, or whether or not it simply isn't a matter of a good kind of moral support to help do precisely what the Minister wants to be done — that is mainly to put badly needed capital money in the hands of farmers.

**MR. DOWNEY:** Yes, Mr. Chairman, in response to the Honourable Minister of Government Services, I think — I am going by recollection — that it is in another jurisdiction, the Guaranteed Program through the federal government which once again proves the credibility of the farm community and the way in which they honour their commitments. The delinquency within the Farm Improvement Loan Guarantee, I believe, has been less than one-half of one percent in the history of that particular program, and that's just going by recollection, not to be specific. So it has certainly proven the credibility of the farm community when it comes to financing.

The loan guarantee, since the Manitoba Agriculture Corporation started on their Loan Guaranteed Program, there's been less than 100,000 — less than 85,000 in fact — that have had to be picked up by the taxpayers of this province, which is really not yet picked up. It has not been considered owed by the province, that it's still hopefully to be collected from the farm community which the money is lent to. So really there aren't any ones that we could say are total write-offs to this particular time. The indications are that these kind of loan guarantees do not in fact put the province or the people of the province in any jeopardy whatsoever.

**MR. CHAIRMAN:** 3. Administration — the Member for Ste. Rose.

**MR. A. R. (Pete) ADAM:** Mr. Chairman, I'm just wondering, on this particular kind of a loan, how do they come about? Why would the banks be demanding 100 percent guarantee on certain types of risks? Who initiated this particular program since it doesn't seem to be very popular and it's probably not filling today's needs, particularly this spring, which you would think that in a situation that we have facing farmers this year, that there would be a lot of people coming in and asking for short-term loans to get them over this seeding period. I'm wondering why we would want to be involved with a loan that doesn't seem to be very popular, since only two loans have been made. It's really not filling the need of the wide base of farmers; it's only maybe a selective few. I'm wondering how that program came about, that it only meets the needs of a very select few people in the province of Manitoba. Maybe the Minister could enlighten us on that.

**MR. DOWNEY:** Mr. Chairman, the answer to the first question, how was it instigated, or how was it developed? It was a program that was developed through consultation with the farm community, looking at what other provinces had available to them. And the other point I want to make sure he realizes is that it is in fact a long-term program. It's not one for short-term relief like we're talking about this particular spring, but it was introduced for the long-term financing needs of the farm community. There isn't anyone in the province that can't apply for it. It's available to the total farm community; it's not for any select group, it's for those people who want to put in an application, that's the other thing I wanted to make the member understand.

Another reason was to expand the amount of capital that was available to the farm community. I think the member is quite aware of the fact that

through the federal credit corporation, that their shortfall in the amount of credit available for western Canadian farming was something in the neighbourhood of 50 percent. I think that they only had enough capital available last year for a lot less — I shouldn't use the figure 50 percent — but it was a lot less capital available than the demand for that capital, and again, less this year. So it's a matter of trying to make more capital available to the farm community as the industry gets bigger, as the individual farm units either get bigger or demand this kind of a program. It's not totally for one specific size of farm; it could be a loan guarantee up to 200,000, but anybody can qualify; it's not a matter of specifying for any particular group.

Again, I said it was for the long-term financial needs of the farming community, that it was in line with other programs that have been developed in other provinces, and an expansion of the programs that I think have to be made available so that the industry can grow and develop.

**MR. ADAM:** The Minister seems to be giving us some conflicting information here. He indicates that the federal programs only provided, I think he said 50 percent of the needed funds. That's the impression I'm getting, that there was only 50 percent of the funds really required to fill the needs from the federal program, so the province has gone into its own program and we find there's only two applications. Everybody's free to apply but they're not applying, so the need is not there. That's obvious.

**MR. DOWNEY:** Okay.

**MR. ADAM:** So let us go into a program that is needed.

**MR. DOWNEY:** On the long-term basis?

**MR. ADAM:** No, let us go into a program to fill the needs of farmers today who are in a crunch and who are going bankrupt, August family farms and wherever it is — in Carman or whatever it is. Let's bring in the solutions to the problems that are facing agriculture, the increased interest rates that are putting the crunch on them.

In speaking to some of the managers of the credit unions I am told that on the average there are about 15 percent less loans being made by farmers this spring; that credit unions, the one's I've spoken to, have about a 15 percent drop in applications for loans and also they advise me that there is an increased number of people cashing in their savings, their bonds, their little moneys that they put aside for future purposes. They are now obliged to cash in savings bonds, Canada Savings Bonds, I am told, and other term deposits that they have, in order to fill the gap, the pinch that they're feeling, and they are not borrowing from the banks at this particular time because of the high interest rates. And here the Minister is guaranteeing 100 percent.

It seems to me that when there's few loans being made at the high interest rates, there should be more competition in the market. And here we're going to the government and saying, well, look, don't

bother with these high risks, come to us and we'll guarantee it 100 percent.

I'm just wondering, the Member for St. George is suggesting that perhaps the Minister should divert some of these funds right now, not next year when we review it. But since this program seems to be redundant anyway, if there's only two people that have applied for it, and we've got two people perhaps that wouldn't be in farming if it wasn't for this program. But nevertheless, if the money is there available and it's dormant, why not come up with a program that will solve the problems that the farmers are facing this spring to get their crops in, unable to buy their fertilizer and sprays and all the other needs that they have, the shortage of moisture that they're facing, the crop insurances they've had to pay or will have to pay this fall, on notes, and so on. It seems to me that this would be a far more effective way of coming to the assistance of farming communities than this program that the Minister is outlining. I think the Minister would probably agree with us in that respect. I can't see why he would not agree that there isn't an emergency at this particular time when we know that some of the farmers have to spend 80,000, or more maybe, to get their crops in. Where does the money come from when you have to go to the bank and pay 16 and 17 percent interest rates just to get your crop in. With this kind of a situation, well, you're going to see probably a drop in acreages, I suppose, because I presume that people won't be too anxious under these conditions to seed 100 percent of the land they have available. I don't know how it's going to affect their crop insurance but I know that it's not too good of a situation. Perhaps the Minister would give us some comments on whether he would be amenable to changing that program.

**MR. CHAIRMAN:** 3. Administration—pass; 3. Net Interest Cost — the Member for Lac du Bonnet.

**MR. SAMUEL USKIW:** Mr. Chairman, the Minister has skated all the question of the logic of a program that hasn't been successful. I suppose it doesn't hurt to leave the program intact. It doesn't do anyone any harm, but it also is a program that isn't operating. I didn't realize up until today that only two people have been serviced by a program that's been in effect now for two years, or in excess of two years, so that's less than one applicant per year, so it does raise the question as to whether the program has any basis for existence, you know, for whatever that's worth. I don't think it has done anybody any harm so I agree with the Minister on that score, that it isn't doing anybody harm but it isn't doing anybody any good, Mr. Chairman.

We do have a credit squeeze on at the moment and it seems to me that this year could be the year in which a lot of people will find themselves in a great deal of difficulty. I'm sure a lot have already found themselves in a lot of financial difficulty because of the high costs of operating capital. Never mind the mortgage rates that may have been adjusted in the last 12 months where you have a five-year term mortgage arrangement.

I would like to know from the Minister just what is the present policy of the Farm Credit Corporation on their mortgage program. Are they renewing every five

years or is it a permanent rate for the lifetime of the agreement or what is the current arrangement with FCC, and that will give us a better picture as to where people that have loans with FCC are at and then we can get into the other loan programs once we know where they are with their long-term needs.

**MR. DOWNEY:** Mr. Chairman, my understanding is that there isn't any change, that it is a five-year review period, but if . . . I'm getting information, but I'm not aware of any change in that procedure.

**MR. USKIW:** Mr. Chairman, if indeed it is a five-year term arrangement, then there is a very serious problem with respect to those who have had to renew those mortgages in the last 12-month period at rates of interest that just aren't in the cards as far as agricultural income is concerned, Mr. Chairman.

**MR. DOWNEY:** On a point of order, Mr. Chairman, I want to correct that statement that I made. It is FCC that have a five-year review period.

**MR. USKIW:** That's what I'm talking about.

**MR. DOWNEY:** Federal Credit Corporation. MACC does not have a five year review period. It's a fixed rate for that length of time.

**MR. USKIW:** Mr. Chairman, I don't think the Minister has alleviated the problem. He has pointed out that MACC isn't working on a five-year basis. What is the basis of long term loans under MACC now? Is it on a current basis? Are interest rates adjusted in accordance with the Department of Finance adjustments from time to time on existing contracts, or only do the adjustments apply on new contracts?

**MR. DOWNEY:** Mr. Chairman, the financing arrangements for the Credit Corporation are with the province of Manitoba on a cost of the money to the Corporation for that particular period of time and are implemented for the full period of the loan, is my understanding.

**MR. USKIW:** Mr. Chairman, perhaps we can pursue it to make certain that we know. If a farmer enters into a 10 or 15-year agreement with MACC or whatever the term is, does he fix the rate of interest at the time of that agreement for the duration of the contract, or are there adjustment periods?

**MR. DOWNEY:** For the time of that agreement, Mr. Chairman.

**MR. USKIW:** So then, Mr. Chairman, we have a situation where people who have entered into agreements requiring a 10 percent interest rate, that 10 percent rate is for the lifetime of the agreement even if it's 10 or 20 years, in which case the province then runs a deficit on that account, I presume. Is that it?

**MR. DOWNEY:** That would be correct. If in fact the costs to the province were higher than that 10 percent.

**MR. USKIW:** That's right. I recognize, Mr. Chairman, that the province would only have a deficit position on such a loan on the basis of their current roll-over capitalization. They wouldn't if they were financing those loans at current rates at the time on the same basis as the loans they are providing. But that's not the way they function, as I understand it, so there is a roll-over situation and indeed a subsidy situation that comes into play, but that is not the fault of the department or the client. That is really the way the finance department functions.

Then if that is the case, Mr. Chairman, then a person would be foolish to enter into a long-term agreement with FCC at the present time, given the fact that the current interest rates must be in the order of 14 percent, 14, 15, I don't know where they're at at the moment, but I'm sure they're close to 14.

**MR. DOWNEY:** Mr. Chairman, the member refers to FCC . . .

**MR. USKIW:** No, no, I'm talking MACC at the moment.

**MR. DOWNEY:** Oh, because the last letters he used were FCC. The current rate, I believe, is 14.5 percent at this particular time.

**MR. USKIW:** Could I ask the Minister whether or not there are loans being made on a long-term basis at these high rates of interest, or is the department advising farmers against entering into long-term arrangements and providing them with short-term, shall we say even bridge financing, pending the hopefully lower rates of interest that will prevail somewhere down the road, Mr. Chairman, or are we locking them into very impossible situations.

**MR. DOWNEY:** Mr. Chairman, I think the member is well aware of the fact that the individuals entering into a program or entering into a contract, if the interest rates were to drop down below that 14.5 percent, would have the right to repay, so in fact they aren't locked into a 30-year mortgage at 14.5 percent but in fact they would have the right to repay that loan if they can provide lower rates of interest.

Now, as far as instructing farmers whether they should be investing and going into loans at 14.5 percent on the long-term, no, we have not advised whether they should or they should not. I am sure there have been discussions take place with the field staff and the clients whether or not it's a good investment and that would be taken into consideration in the approval of the loans, whether or not the capacity of those individuals would be there to repay those kinds of interest charges, and that would be one of the determining factors whether or not those people would enter into a long-term agreement. Not a directive because I think the Member for Lac du Bonnet is well aware of the fact that even though we are all hopeful that the interest rates will drop, as a government we would be putting ourselves in a situation that I don't think we should be in, in trying to speculate what the future would be for that particular rate of interest over the period of 30 years. For example, 25 years from now, 14.5 percent interest might not be a bad rate. How do we

know that particular . . . so I think, Mr. Chairman, we do our best to do that at the time of the loan application, plus the fact the applicant does have the opportunity to pay out that loan if interest rates do go below the rate at which he would be locked in at.

**MR. USKIW:** Mr. Chairman, we know that people can manage their program as they see fit, providing they can satisfy their obligations. It seems to me somewhat illogical, though, for a person to enter into an agreement with MACC at say 14 or so percentage points over a 10 or 15-year period. Two years down the road they find that the money market is down to 9 percent and they're into a 14 percent deal, so obviously they will make the decision of having to either retire that loan and refinancing through an outside agency. Or would it make sense for the Minister to convert that loan into a new loan, because what the Minister is going to do is simply guarantee the bank on the refinancing anyway, you know, as I understand the program. If this person went to the Royal Bank and borrowed 100,000 and the province is going to guarantee it, I think we're just going through a lot of paperwork here for nothing. I'm wondering whether one couldn't simply convert into a new loan arrangement, even if that means terminating one and opening up another account. I'm just wondering why it makes sense to walk away from MACC and then go over to the Royal Bank, who then come back to the MACC to get the guarantee on the same money. I'm trying to follow the logic of that, Mr. Chairman.

**MR. DOWNEY:** Mr. Chairman, I think for the member's benefit I should clarify that the direct loan program which MACC would enter into at 14.5 percent at this particular time is not the same kind of a program as the Comprehensive Loan Guarantee, where in fact it were a Comprehensive Loan Guarantee of up to 200,000 loan, the banks have agreed to provide that money 1 percent over the prime rate up to 10 years and 1.5 over the 10. So in fact if the prime rate were to drop then in fact the interest charge to that client would drop, at the same rate.

**MR. USKIW:** On that loan.

**MR. DOWNEY:** On that particular program, so I want to make sure the member is clear on it. But on the other program, which is a direct loan, what the member is suggesting hasn't really happened to this particular time.

**MR. USKIW:** But it could.

**MR. DOWNEY:** What he is suggesting, it could happen and what he is suggesting isn't unreasonable, that instead of causing a bunch of paper transactions to have to take place for a person to pay a loan off, with lower interest rate money, reapply to MACC, makes good common sense. Something that the other, sometimes it's hard to get out of someone's folly . . . but I will suggest that he has a good common sense suggestion and I would give it fullest consideration.

**MR. USKIW:** Mr. Chairman, I now want to ask the Minister, although it obviously isn't a very important point since we're really not in business on the matter of loan program, why it is not possible to negotiate a better interest rate with the banking community on the basis that they carry no risk than the 1 percent over prime arrangement that he talks about. My understanding is that if you cover all the risk you should be able to borrow at prime. Some people may even do it below prime, Mr. Chairman. But why we would pay the bank a bonus for giving them 100 percent guarantee on a loan is somewhat confusing to me because I think the bank knows that the strength of the taxpayers of the province is as sure a guarantee as one can get and they know that there's no way they can lose a penny on these transactions, and so it seems to me that it makes a lot of logic to negotiate at least a prime lending rate where the province is putting up their guarantee.

**MR. DOWNEY:** Mr. Chairman, I suggested earlier in the debate that I thought that the 1.5 on the over 10 year period was extremely high and would be reviewing that particular guaranteed program. I think that it is too, I think that on the guarantee that the government are providing that the bank should be able to provide it at a lower interest rate, but the fact of the matter is — and he wasn't overly critical of what I said about the fact we only had two participants at this particular time — there haven't been people flocking to the program even at the 1.5 percent guarantee. So we will — there are a lot of people involved in the program — we will in fact review that and negotiate. In fact, what we're saying is, it is a maximum of 1.5 or a maximum of 1 percent. When we go back to the old Guarantee Loan Program it was the same thing, 1 percent, that the banks were getting a . . . There was a certain element of risk, very small mind you, but there still was a maximum rate that could be charged of up to 1 percent, of which he was the Minister responsible for at the particular time.

I think it is quite conceivable, particularly when we look at the experience of some of these comprehensive loan guarantees that are in place in provinces like Quebec, I believe there's one in Alberta, it has taken them two or three years to take a hold, for the banking industry and the farm community to make a greater use of them. That's why I'm suggesting at this particular time I am going to review the amount of interest that banks can charge when they are in fact getting a guarantee and the decision will be made, and I would think it will be somewhat lower than the 1.5.

**MR. USKIW:** Mr. Chairman, what is the current rate that the MACC is able to borrow money at from the Department of Finance.

**MR. DOWNEY:** Mr. Chairman, I would get that figure but I know that we are charging 14.5 percent to the client.

**MR. USKIW:** What is the formula, is it half over cost that we are charging our clients?

**MR. DOWNEY:** The cost is just over 14, Mr. Chairman.

**MR. USKIW:** And we're charging a half percent above.

**MR. DOWNEY:** That's right, so it's approximately a half percent over what the cost of the money is. I think that's been a standard sort of a program or a policy that has not changed.

**MR. USKIW:** What enters my mind — and it's a bit of a brainstorm, Mr. Chairman, so don't take it terribly seriously — is whether or not it makes any sense to negotiate the total business of MACC through the banks on the basis of a prime lending rate. In other words, give them the whole bundle.

**MR. DOWNEY:** Mr. Chairman, the Member for Lac du Bonnet takes me somewhat by surprise, he is becoming pretty much of a free enterpriser in the last few months. I guess we're finally starting to get through to him the benefits of free enterprise and it's really —(Interjection)— he somewhat takes me by surprise in his comments, but I think it's a worthwhile recommendation and we would pursue it to review what the possibilities of it are. But I think it's been long-term tradition that there are certain amounts of individuals who need government to support them. It's been something that has been a long-term practice, but I think something that has happened, and all members of the committee and farm community are quite aware of it, has been the active involvement of the banking industry in the farm community in the past few years. Adding to some of the problems that we may be facing today as far as the problems are concerned so, that's basically it. There has been a tremendous increase in bank loans to the farm community and somewhat of a lack of need, or less of a need in certain areas for government involvement.

But the recommendation to free — to enter into a complete package of financing with the bank, plus other private sources, Mr. Chairman, I don't believe, I think that there could be a mechanism put in place and should be worked out with the federal and provincial governments, that in fact a program be put in place where people could leave some capital in a program to help in the agriculture financing.

**MR. USKIW:** Mr. Chairman, I hope the Minister is not misreading me. I am interested in a sweetheart deal that is better for the province of Manitoba than it is for the bank, you see. So let's understand who I want the deal for. But it seems to me with the province's leverage in the banking world in Manitoba, and in Canada, that probably some agreement could be reached wherein there could be an advantage in terms of interest rates and in terms of funding the program, through the banks, in agreement with the province of Manitoba, there might be some advantage to both the government and producer and the farmer, or the client. I don't know that that has ever been thoroughly explored, quite frankly. I don't think it has been during our term in government, quite frankly, maybe it should have been, but I think those are the kinds of areas that perhaps should be looked at in some degree of depth. Because money management is really what you are talking about and whether you can operate for a margin of a half-a-percent or a quarter-of-a-

percent less, given the volumes of money that MACC is handling, could mean a significant amount of money, or of savings to someone, either the client, or the department or both. And so to me it makes sense to explore that.

I wonder if the Minister is in a position to comment on what he intends to do with an additional 19 million that the Minister of Finance tabled in the House yesterday. There's a request for 19 million for MACC in capital supply.

**MR. DOWNEY:** To lend to the farm community, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, I just want to ask the Minister whether there is anything unusual with respect to that request and that kind of volume of money or whether that's just for ongoing business of MACC.

**MR. DOWNEY:** Nothing unusual, Mr. Chairman, for ongoing business.

**MR. USKIW:** Then, Mr. Chairman, I pose the question that the Minister perhaps may be risking the problem of shortages of money, depending on what happens with our drought. I'm just wondering whether that capital supply is going to be adequate for the operations of MACC if we get into a very serious climatic condition this year. In other words, is there a contingency built into the 19 million?

**MR. DOWNEY:** Mr. Chairman, I think I get the point of the member. He's suggesting it isn't a sufficient amount of money if we run into a difficulty. I think there'll be two things happen and one is, that when we run into a period of dry weather like we have that we will see a slowdown in those people desirous of buying land. So that's one of the things that will happen. The other one is, that we do have the ability to go back for further funds. This is an amount of money that has been estimated that has been needed and I think, hopefully, it's sufficient but we still have the ability to request more funds. This is the best, at the time that the estimates were prepared, that we could use. Certainly I would say the first thing I mention is there would probably be less call on money this year for people buying land in light of the weather conditions that we are faced with at this particular time. Now, I guess if we were to get specific in the numbers of applications in the last two weeks I could indicate to the members what the flow of applications has been, if he wants me to be more specific.

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

**MR. USKIW:** Mr. Chairman, I appreciate that as long as we're in session that there are always ways and means of enhancing his Capital Supply. I believe, and I may be corrected, but I believe that once the House is adjourned that the Minister's allotment is fixed until the House meets again. I don't think he can Special Warrant for loan purposes, although I may be wrong. I'm not sure that you can Special Warrant Capital Supply for loan purposes.



**MR. DOWNEY:** Mr. Chairman, I would have to check that out. But I do believe, when we put our figures forward in the estimates, it was sufficient to cover MACC. Governments have the ability, through other programs, to fill the gap if emergency situations develop, as the member is quite aware. This is the longer term credit program we're approving here. If we were in crisis situations and financial relief was required, government do have the capacity to provide funds through other mechanisms, which he's well aware of. But for the long-term credit needs we feel that this is sufficient.

**MR. USKIW:** Just one last question on this, Mr. Chairman, and that is, what is the unused Capital Supply still available to the corporation? In other words, how much money is the Minister going to have at his disposal, 19,300,000 of new Capital Supply plus how much carry-over of capital?

**MR. DOWNEY:** Mr. Chairman, the figures that I have available to me, the unexpended amount of authority was just over 9 million; projected receipts for the '80-'81 would be 7.5 million; and the total projected expenditures would be 36 million. So that's basically the broad outline of the amount of money that would be used for loans.

**MR. USKIW:** 37 million.

**MR. DOWNEY:** Approximately 36 million.

**MR. CHAIRMAN:** 3. Administration—pass — the Member for Ste. Rose.

**MR. ADAM:** Yes, Mr. Chairman. The program that we've been talking about apparently was brought in in 1978, is that right? The composite, when was that program brought in? There's one a year. There's two programs.

**MR. DOWNEY:** Mr. Chairman, the program change took place, as far as the introduction of new programs, were in July of 1978. That was the Direct Loan Program and the Comprehensive Guaranteed Loan Program, 1978, July.

**MR. ADAM:** I've been wondering why this program is not shown in our report.

**MR. DOWNEY:** I spoke to that yesterday, I believe.

**MR. ADAM:** I see.

**MR. DOWNEY:** If the member wasn't here, an indication from the department was the Comprehensive Loan Guarantee Program, they hadn't been approved at that particular time, if I understand it correctly. The other thing is, the Member for St. George asked me about public ad on that and I passed out a brochure that was available. I apologize to the members of the committee if, in fact, it wasn't in the report which was made to the end of March, 1979, for not having it in there. I will check with the credit corporation to find out why it wasn't, more specifically. But they indicate the Comprehensive Loan Program hadn't had any loan approvals to that particular period of time.

**MR. ADAM:** Yes. The sale of land under the terms of purchase option clause under the lease agreement in the Land Lease Program, I notice that in this report there are 122 properties, in total, had been sold, of which 25 of these properties were sold to lessees who obtained financing from outside sources; and 97 properties were sold by corporate financing. Could the Minister tell us how many properties have been sold since this report has been tabled?

**MR. DOWNEY:** Mr. Chairman, the member's asking for the total conversions. The total conversions to this particular date on land lease are 233 properties, land-lease conversions.

**MR. ADAM:** We would subtract the 125 from that to arrive at the figure for 1979. What is the requirement? Is there a down payment requirement when there's a conversion from the lease? Does the purchaser have to put down a down payment on the mortgage or is that 100 percent financed?

**MR. DOWNEY:** Mr. Chairman, the conversion is no different, I don't believe, than it was when he was in office. I would get that information to give him.

**MR. ADAM:** We didn't have a . . . Well, yes we did, I guess we did.

**MR. DOWNEY:** Careful now.

**MR. ADAM:** Yes, we had. There was a clause there but I doubt whether there was very many had taken the option up to that point in time because it was a new program, Mr. Chairman.

What are the requirements, as far as . . .

**MR. DOWNEY:** The conversion?

**MR. ADAM:** What are the terms of the sale?

**MR. DOWNEY:** On the conversion of a land-lease, Mr. Chairman, I'm just getting the details of the conversion. As I say, there haven't been any changes in it, it's just a matter of identifying for him what all is involved and I'll get that information. I'm getting that information and I'll . . .

**MR. ADAM:** I would ask the Minister to advise us what rate of interest? Is it the same rate, 14-1/2 percent? Is that the same rate on land as well as the other loans or is there a different rate of interest for land?

**MR. DOWNEY:** Mr. Chairman, it would be the changing of a lease to a loan, so I would anticipate that the interest rate would be the same as a new loan being taken out under the direct program.

**MR. ADAM:** Yes. It seems to me that the interest rate for land is usually lower than call loans, because of the fact that the moneys loaned for land is more of a permanent asset than chattels or stock or livestock and there's a higher risk for chattels and . . .

**MR. DOWNEY:** Mr. Chairman, in answer to the question, what I answered was correct. First of all the individual who is buying land has to have lived up to the terms of the lease and have operated it satisfactorily. No. 2, they convert it over on an

interest rate of 14-1/2 percent which is current today. The current interest rate that would go out on a direct loan is the going rate.

**MR. ADAM:** Then is there a down payment that is required?

**MR. DOWNEY:** No, Mr. Chairman, just the lease payment for that year, they would convert it over and it would be considered a loan from thereon.

**MR. ADAM:** I see. It's just the amount of the lease plus the interest, that is the payment. So there's no actual down payment required.

**MR. DOWNEY:** No, Mr. Chairman.

**MR. ADAM:** What I'm trying to get at is whether the purchaser has to put in some equity in order to tie up this land.

**MR. DOWNEY:** No.

**MR. ADAM:** Because if it were the case, he would probably be in a more difficult position this year because of that if he had to tie up any excessive amounts into land. Is he able to pay more than the lease payment?

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

**MR. ADAM:** Pardon?

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

**MR. ADAM:** So it is possible to pay more than just the lease rates? Well, could the Minister tell us then what are the amounts that we have received in excess of the lease payments?

**MR. DOWNEY:** Mr. Chairman, I don't understand the relevance of his question. To me the point he's trying to make is, I'm suggesting that there isn't a down payment; that they pay their lease either for the year or they convert it to a long-term loan, which in fact the interest plus the payment would be due; the security is taken on the land, which is already owned by the province so it's just a matter of conversion and if the farmer wants to pay 50 percent of that off, I'm quite sure that the MACC, or credit corporation, are quite prepared to take it.

**MR. ADAM:** That's right.

**MR. DOWNEY:** You know we don't restrict overpayment, or excess amount payments on a particular loan. If he wants to put an additional amount of money in then he's free to do so.

**MR. ADAM:** I accept that should be the way it should be, open-ended; that he can pay it out whenever he feels like, he could pay more on the initial contract, initial agreement. What I'm getting at is, I would like to know how much money has been tied up in this manner, in excess, because it does have an impact on what's happening on the short term if a lot of money is tied up in this manner by farmers. Sure, I'd say it's a management decision that they have to make.

**MR. DOWNEY:** That's right.

**MR. ADAM:** But the fact is there's a lot of decisions made that are supposedly good management that later on turn out they're not so good because of conditions that arise, and that would be one of them this spring. If there's a lot of money tied up in equity, which is dead capital — it's not a cash flow, it's not money that you can use for cash flow — and as a result of this spring there may be a number of farmers that find themselves in a particularly hard squeeze because of having to tie up a lot of money in land, which perhaps they would have been wiser not to do at the time.

**MR. DOWNEY:** Mr. Chairman, as I've indicated, the farmer is free to make that decision, whether he wants to put more in. He's not being forced to put any excess money into that; he carries on as either the lease or the other.

**MR. ADAM:** But the Minister doesn't have that figure anyway.

**MR. DOWNEY:** No, I don't.

**MR. CHAIRMAN:** 3. Administration—pass — the Member for St. George.

**MR. URUSKI:** Thank you, Mr. Chairman. I raised the matter last time — before I go into the area that the Member for Ste. Rose spoke about — I raised the area last time about the reason that program was left out of the Annual Report. The Minister gave us a pamphlet which he tabled with us which he indicated has been given out through ag rep offices. Could I ask the Minister to supply us the details of who did the printing on this and when were the printing costs requisitioned for this pamphlet that was distributed? If not today, then possibly for our next meeting which likely could be a week from now, could be as early as, I guess, tomorrow evening. Tomorrow would be the soonest that information could be provided.

**MR. DOWNEY:** Mr. Chairman, not understanding the significance as far as who printed the pamphlet, as far as the farm community are concerned in providing funds to finance the farm community, I would give consideration to providing him with that information, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, the Minister indicated to us the last two days, that we somehow forgot about a program that was available; a program that I believe, and I think he believed, was of great significance to the farming community, wherein the public of Manitoba guaranteed loans to the farming community to the banks to the tune of 100 percent, indicated the program had begun in July of 1978. Then when we questioned him about it in the Annual Report of the Manitoba Agricultural Credit Corporation, he said, well, look, these pamphlets have been around the Ag-Rep offices a long time, but yet somehow a significant program of the nature that he speaks about of benefit to farmers was not included in the annual report. And yet, the loans that were made under the program were made since the

report was published. There were no loans made prior to the publishing of the last annual report. Yet, he says, all that information was available to farmers and people of the province before that date.

I only ask, Mr. Chairman. I don't particularly want to know who did the printing, I would like the Minister to provide us the cost of those pamphlets and when they were ordered and the like. He said he would give consideration to. That doesn't mean that he's going to provide the information, Mr. Chairman. I want to know whether the Minister undertakes to provide that information to members of this committee.

**MR. DOWNEY:** Mr. Chairman, if it's available, I will provide it.

**MR. URUSKI:** Thank you, Mr. Chairman. Mr. Chairman, could I ask the Minister — there have been certain sales of land made under the Land Lease Program in the last number of months. Could the Minister indicate how many parcels of land have been sold by the corporation? I think in the report it indicates that 122 properties with a total cost of 3.8 million were sold to lessees under the terms of the purchase, option clauses, in their lease agreements. About 97 of those properties were financed by the corporation, 25 of which were financed from outside the corporation. Could the Minister provide us with details as to date or to the end of this fiscal year of March, 1980, as to how many properties were (Interjection)— 233, oh, I'm sorry. All right, and how many of those 233 were financed by the corporation, Mr. Chairman? Is that 125?

**MR. DOWNEY:** Mr. Chairman, if he has the figure of 233 conversions, of which . . .

**MR. URUSKI:** And 125 were financed by the corporation?

**MR. DOWNEY:** I'm getting that figure, Mr. Chairman, that's to date from — the financing of those 233 have been by MACC, the figures I have indicated to me. The conversions of 233 have been financed by MACC. Oh, I'm sorry.

**MR. URUSKI:** No, well, we better get the figures. There must have been a . . .

**MR. DOWNEY:** Mr. Chairman, if I can clarify, 233 conversions of which were financed by MACC.

**MR. URUSKI:** 203.

**MR. DOWNEY:** 233 conversions financed by MACC; an additional 60 properties sold that were not financed through MACC.

**MR. URUSKI:** Were those also conversions?

**MR. DOWNEY:** No, they weren't, Mr. Chairman. Oh, Mr. Chairman, I'm sorry, yes, they would be conversions. Just a minute now, let me get this straight. Mr. Chairman, the definition of a conversion is from a lease to an MACC financed loan, which is a conversion. There are 233; the 60 additional leases that I am referring to would be individuals buying them . . .

**MR. URUSKI:** But financing them outside.

**MR. DOWNEY:** . . . but financing them outside.

**MR. URUSKI:** Okay.

**MR. DOWNEY:** Which would be the conversion only a different use of the term than what we are using it for in the House by the MACC. Get the buzz words straight around here.

**MR. URUSKI:** Right. So that the lands that we are talking about, 293 parcels would total how many acres, Mr. Chairman?

**MR. DOWNEY:** Oh, the acres, 293.

**MR. URUSKI:** And the amount of money?

**MR. DOWNEY:** Mr. Chairman, we have a total of 109,700 acres in those totals; that's in the conversions and in the other outright purchases. So there's 109,000 acres.

**MR. URUSKI:** The dollar amount?

**MR. DOWNEY:** The dollar amount of those transactions would be approximately 12 million, Mr. Chairman.

**MR. URUSKI:** The 12-million figure that the Minister gives us, Mr. Chairman, that would include the purchase price of the property including the carrying charges of the corporation as a direct swing over to the lessee who had originally leased the land. Is that correct?

**MR. DOWNEY:** I understand the question is this way, Mr. Chairman, that the land that has been sold to the lessee, whether it's internal financing, it had to recover the cost to the corporation plus all carrying charges. That is correct.

**MR. URUSKI:** Okay.

**MR. CHAIRMAN:** The time being 4:30, I am leaving the Chair to return in 12 days. Committee rise.

## SUPPLY — COMMUNITY SERVICES AND CORRECTIONS

**MR. CHAIRMAN, Abe Kovnats (Radisson):** Committee will come to order. I would direct the honourable members' attention to Page 20 of the Main Estimates, Department of Community Services and Corrections, Resolution No. 31, Clause 5. Rehabilitative Services. Item is (5) External Agencies—pass — the Honourable Member for The Pas.

**MR. RONALD McBRYDE:** Mr. Chairperson, the last time we dealt with this matter, I raised the situation of the Marigold Centre at The Pas and the Minister wasn't able to fill me in very much on the possibilities in terms of funding and financing. I wonder, in light of the Budget last evening, if the Minister is now prepared to answer my questions in that regard now that it's public information what the

government intends to do. If he could deal with those matters I raised and tell me how the Marigold Centre, which is a pre-school centre for children with learning disabilities, mental or physical disabilities, whether or not the Minister could now clue me in on what he hopes might happen to that important external agency.

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

**HON. GEORGE MINAKER (St. James):** Since our discussions yesterday, Mr. Chairman, I had our staff look at other avenues even besides the hospital, the utilization of the day care centre funds. It is my understanding that it's questionable as to the possibility that the centre is used with regard to respite care and that we may be able to fund partially the centre under the respite care that we do have in our budget for such type of facilities or that type of service, so that's one of the avenues that we are looking at at the present time besides the day care centre funding approach.

**MR. McBRYDE:** Mr. Chairperson, I thank the Minister for looking at the other options and that one does make some sense for a limited amount of additional funding. I wonder now, Mr. Chairperson, what efforts the Minister will take in terms of . . . will there be a way for him to be able to give priority for this centre if in fact there is enough day care funding, which it now appears that there may be, if there's a way for him to establish a priority for this centre which is in serious financial need — if he could comment on that.

**MR. MINAKER:** Mr. Chairman, I think I indicated to the honourable member yesterday and I had previously indicated when I announced the day care centre programs that, or correction, with regards to the noon and after school program that I talked about in my estimates. The member may not have been here at that point, but I indicated that I prefer to reinforce existing facilities rather than give funds to a new facility that would be competing or starting up and obviously the Marigold Centre has done a good job in The Pas and we would want to reinforce that and make sure it continues to exist, so it would have a preference based on that. Whether it would be funded partially or fully, we would have to look at their budget and review it and see whether it qualified under day care centre or under this respite care, but I can give the honourable member my word that we would be reinforcing existing facilities such as the Marigold first before starting up new facilities.

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

**MR. PARASIUK:** Thank you, Mr. Chairperson. I wonder if now is the time to ask the Minister whereabouts in Rehabilitative Services the 225,000 that was provided in supplementary estimates is going to be allocated and since he has his staff here with him presently, can he tell us where the 4 million for supposedly day care and lunch and after four are going to be allocated. I ask that because just yesterday when we, I think on External Agencies, we discussed lunch and after four programs so I think

it's not inappropriate now to ask the Minister, since we are discussing External Agencies and he has his staff with him, to tell us whereabouts in External Agencies we have 4 million allocated and whereabouts this 225,000 — which is the only item that I see in supplementary estimates — where will that be allocated.

**MR. MINAKER:** Mr. Chairman, I took time to look at the supplementary estimates when I was up in the office for five minutes. I didn't bring the copies down but where the 4 million for the day care or noon and after school program is located, I don't know the exact identification number, but it's in that 28.6 million, under Finance; just above the 225,000.00. That relates to all those new programs under the White Paper before him. —(Interjection)— Right, I think it's 28.6 million. The 4 million would be in there, and it will be designated under the appropriate . . . I would presume this question should be raised with the Honourable Minister of Finance, but it would be appropriated under the various departments that take on those responsibilities, those different programs such as the CRISP and so on.

The answer to the 225,000, that is the special one-time grant that we gave to Arm Industries in Brandon which we announced I guess about three weeks ago, and that came up in the supplementary supply. That's what that 225,000 is for. I would suggest the best place to talk about day care would be under the Social Security Services section, Item (c) at that point in time. The External Agencies that we are dealing with here relate to Community Mental Retardation and Mental Health Services such as CAMR that we mentioned yesterday and the other ones that I gave this information to the members of the committee the other day.

**MR. PARASIUK:** Mr. Chairperson, I still am somewhat confused by the answer of the Minister regarding . . . just lunch or noon and after four programs in that if you look at the Supplementary Estimates in the budget, there were a number of specific items indicated and there is provision for them in the Supplementary Estimates. But I don't know how you're going to provide a noon program through tax credits, I don't know how you're providing an after four program through tax credits, I don't know how you're providing day care through tax credits unless you're going to give a tax credit for someone who has to pay for day care, unless you're going to give a tax credit for someone who is going to pay for a noon program. Are we now going to have private noon hour programs, or private lunch programs? That's the confusion I have because I think that I listened quite carefully yesterday, I read the Budget Speech carefully and I just can't, for the life of me, understand how you can provide something like that through tax credits and yet if you look at the Supplementary Estimates, which are supposed to be detailed and I know checked by Finance, there is an item there of 28,600,000 and it's specifically for tax credits. I just don't know if the program of day care and of noon, I'll stick to this item, noon hour programs in schools can be provided this way, whether in fact there hasn't been a mistake made by the government in presenting detailed Supplementary Estimates; or whether in fact

the situation isn't one where the money has already been allocated in the estimates that we are considering. That's the point. I have problems with that because when we raised this — and I can appreciate the Minister not being able to tell us — about increases but we did have some increases in the noon hour program, then I think it is an appropriate time to ask the Minister how much of that 4 million is allocated to noon hour programs; after four programs; who it's intended for. I'm quite certain, and I've been through budget processes, when in fact budgets are made up they are made up as the result of some detailed programing and if that was the case, and if this wasn't just an item thrown in at the last minute, then surely there would be some idea of how much will be allocated to day care, and how much will be allocated to Noon and After Four. We can't seem to get any information about that, this seems to be a phantom program and I can't find it anywhere, in either the detailed Supplementary Estimates or the existing Estimates. I don't want to go past it and not be in a position to determine whether in fact there is any expansion to the Noon and After Four Program because when we discussed this item, under External Agencies, the Minister did tell us that the program was limited to those five pilot projects that were initiated by the previous administration and I don't know whether in fact we're having no increase or what. I think the Minister should be in a position surely to tell us something about the Noon and After Four Program which was grandly announced last night, but which today no one seems to know anything about.

**MR. MINAKER:** Mr. Chairman, I would gladly do that under item 5, or is it 6(c) when we get to Day Care Services. We're now talking with regard to the Mental Retardation. I explained to the honourable member where the moneys are available and I would just draw to his attention that last night in the Budget Speech it was indicated that's a rationalization of the Tax Credit Program of which now there will be various departments looking after these services and there's some 28.6 million of those services which the Honourable Minister of Finance indicated last night in his Budget Speech. If we want to talk about day care centres in particular I would suggest, Mr. Chairman, that we can deal with that under that item at that time.

**MR. CHAIRMAN:** To the Minister and to the honourable members, day care centres does come under another item and rather than jump around I think that we will stick to the items under discussion. The Honourable Member for Transcona.

**MR. PARASIUK:** Mr. Chairman, if you will look at Hansard I think you will find that I said I'm not really raising the question about day care, I'm raising the question about Noon and After Four which is covered under External Agencies and I asked specifically that item. Now if we are talking about a 4 million program, surely we should be in a position now to say well of the 4 million program, 1 million is allocated to Noon and After Four, fine, then we know that 1 million is allocated to Noon and After Four and we can ask some questions then about the criteria of eligibility, whether this will be spread out

throughout the province of Manitoba. Because undoubtedly we, as MLAs, will be asked a number of those questions by our constituents, who want Noon and After Four Programs. I made a long speech here saying that we should have Noon and After Four Programs and this is my opportunity to raise the items about Noon and After Four Programs, I'll wait my turn for day care.

**MR. CHAIRMAN:** Item 5—pass — the Honourable Minister.

**MR. MINAKER:** Mr. Chairman, just to explain to the honourable member for Transcona that we precisely dealt with Noon and After School Programs under item 3(d) General Purpose Grants where it was debated and dealt with and it was maybe unfortunate that the honourable member was not in the estimates at that time but that is where we dealt with it at that time.

**MR. PARASIUK:** It was dealt with under the category of External Agencies —(Interjection)— Yes it was, okay. It was raised, we had an announcement last night, a major announcement, 4 million for Noon and After Four Programs and Day Care. I ask the Minister if he can explain how much will go to Noon and After Four Programs; the Minister is telling me he can't tell me and now is trying to say that procedurally I'm wrong in raising this question. If I wait for the entire Budget Debate to take place, and if we wait till the Minister's Salary, that could be some time down the line before I can ask a simple clarifying question with respect to Noon and After Four Programs. I know he has his staff right here and when the Ministers took notice of this question earlier in question period, they said let us confer with our staff, I know the staff are right here, right now, so it should be a very easy matter, if this is the top priority of the government, a very major part of their budget, which they introduced last night, to surely tell us, or is the program a phantom program and I think it is very clear that the Minister should be able to indicate what it is, or is it going to be federal program that will be announced and allocated here? We have a great deal of confusion. For some reason we can't get a bit of specifics about this and I know this afternoon people will ask me about it. I know that the groups in Transcona, who've been asking about Noon and After Four Programs will say where is it, it's into the fiscal year already, we're past March 31st, we're virtually two months into the new fiscal year, if we're going to do anything for the next school year we should get moving on this now. What's happening? Can the Minister now explain to us what is happening with respect to Noon and After Four?

**MR. MINAKER:** Mr. Chairman, for the information of the honourable members, the new additional program will be implemented in September of this year and the details are presently being worked out.

**MR. CHAIRMAN:** Honourable members, not that I mean to cut off debate because I know it is of great importance. I would just like to limit the debate to the items under discussion, which is mental retardation and mental health, and there could be

some overlapping, but I would hope that we could stick to it line by line. Item 5—pass; (a)—pass; Item (b) Institutional Mental Retardation Services Item (1) Salaries—pass — the Honourable Member for Seven Oaks.

**MR. SAUL A. MILLER:** Mr. Chairman, with regard to the institutions of Manitoba School at Portage, the Pelican Lake Training Centre, and St. Amant Centre, I wonder whether the Minister could give us some figures with regard to the enrolment, the population in these facilities, whether there is any decrease at all or whether the populations are still increasing.

**MR. MINAKER:** With regard to the Manitoba School for Retardates, the population as of December 31, 1979 was 854, as compared to last year's population of 855 for the same date, and as compared to the year before of 1977, December 31 of 892. So it has been declining, mind you it has been pretty well stagnant for this past year.

Now with regard to the St. Amant Centre, the population at the present time is 242 children and 36 adults, for a total of 278 and there is, in addition to that, a day care program which I believe I mentioned earlier when we were talking about possible day programs for mentally retarded children, for 26 spaces.

With regard to the Sanatorium Board at Pelican Lake Training Centre, we have a total of 70 residents and it has pretty well remained constant. It fluctuates maybe one or two but it's primarily at a maximum of 70 residents.

**MR. CHAIRMAN:** The Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, I wonder if the Minister could indicate whether, in his view and in the view of the staff, whether we've pretty well reached the end of the attempt to decrease the populations. I'm thinking in terms specifically of the Portage la Prairie Home where there was a program started to move as many as possible out into the community, from the institution into community residences. In the Minister's view, in the knowledge that he has with the department, could he indicate whether he feels that this 854 is the hard core number that will pretty well remain constant at the Manitoba School; that in fact these are not movable into the community; that there may be some coming in but leaving again within a year, but that between 800 and 850 is about it, and we've reached that level from which you cannot go any lower?

**MR. MINAKER:** Mr. Chairman, it's difficult to answer that question primarily because, as the honourable member knows, we are presently building community facilities and, as indicated earlier, there are three in this year's budget, three new ones, and we have probably the capacity to build two to three a year to handle the operational costs and staffing and what have you and instituting these new homes; and that we have a rule that one-third of the occupancies in these new community facilities have to be drawn from institutions. —(Interjection)— One-third.

However, what is happening is the phenomena that we have the aging of the retardates continuing and being exceeded, what has been normally accepted as a lifespan for these type of people, and what we are now finding is that they're starting to increase in numbers in the age group of, say, 18 to 65 or above 65. So that we are now looking at the possible use, at some future date, of a geriatric type of centre for retardates and possibly Portage la Prairie might be one of the areas that would lend itself to that type of service because of the fact that there are presently a number of senior citizens out there at the present time. So it's hard to say that the number will stay at 854. We are trying to reduce it as we go along, with building these community facilities, but with this other phenomena of aging occurring it could well be that it will not be able to reduce that number.

**MR. MILLER:** Mr. Chairman, with regard to this requirement that in the new community residences that at least a third have to be drawn from institutions rather than from private homes, I'm aware of this but I'm wondering whether the one-third which will go into community residences as they open up may indeed be drawn from institutions but will they not be children or adults who may have spent just a short while — they have gone from St. Amant to Portage or graduating from St. Amant into a community residence — but who, in other words, entered Portage for maybe a year or two and then are able to be moved out. I was really wondering to what extent there is this hard core, and the Minister has touched on it, that fact that the group is aging, thanks to medical science which we have to, I guess, be thankful for but at the same time it is creating the problem which the Minister indicates where, for the first time in decades — in the last 10 years this has been a phenomena — the lifespan of people in these institutions is growing rapidly and as a result, as the Minister noted, there are some that are senior citizens. This never really happened before, with the odd exception.

So even though the requirement of one-third for community residences is there, I am wondering whether it will be taken from that group that has been there for 5, 10, 15 years but rather will it be drawn from those who are there on a short-term basis for some treatment, then on to Pelican Lake, which is the next advanced stage, and from Pelican Lake back into a community residence. So that the flow that's taking place now is amongst the much younger element of retarded rather than the older retarded group which may have, as I say, been there for the last 10 years.

**MR. MINAKER:** Mr. Chairman, we're primarily talking about adults when we talk about these, rather than children. —(Interjection)— Yes. I guess my understanding is the first criteria they look at is to how severe the retardation is because part of the program in the community living is also learning basic life skills and training and so forth which they get through other programs, so that is one of the prime criteria. So where there's an individual severely retarded, then obviously the home may not be equipped to handle that type of individual in the community. So this is the basic way of selection at the present time.

**MR. CHAIRMAN:** (1)—pass — the Honourable Member for Transcona. Is it this item?

**MR. PARASIUK:** Yes. Has he given his staff the information for this area? Okay, I'll just accept that. He's indicating he tabled it. The question I wanted to ask is: What is the number of patients or residents of these major institutions and the number of staff? We ask that with respect to the mental health institutions in reviewing the health estimates. I think this is a fair enough question to ask for populations in that we can see what the patient-staff ratio is, and that's a very important item in looking at health care, and this is a type of health care. I'll ask if the Minister has that material readily available and, if he does, perhaps he could send it over to us.

**MR. MINAKER:** Mr. Chairman, I can read off the staff with regard to the school which we operate, with regard to the St. Amant Centre or the Pelican Lake. They are funded on a per diem type rate and the staff complement is looked after by the Sanatorium Board and also St. Amant Centre's board. I can advise the honourable member at the Manitoba school we have a total of 731 staff man years, which I might add that there are 15 new nurses. —(Interjection)— Yes, there's a total of 15 new nursing assistants and we can break it down. The executive director, we have one, and I would like to advise that we have recently named the new director for the school, a Mr. Neil Upham, who is now the Chief Executive Officer at the Manitoba School for Retardates effective June 2nd. Mr. Upham has had experience in hospital management. He joined the Sundre General Hospital in Sundre, Alberta, as business manager and later became administrator of the hospital. This was in 1968. In 1974 he moved to The Pas to become the director of support services and finance at the former St. Anthony's Hospital. When the hospital became part of the health complex, Mr. Upham became support services' director of the complex. Mr. Upham has a certificate in hospital administration from the University of Saskatchewan.

We have 6 medical, 420 nursing, of which 15 are new this year; we have 6 nursing education, 6 social services, 14 education, and then we have 12 psychology, including 1 on contract part-time; we have psychotherapy and motivational therapy of 33 staff; resource services such as your laundry, dietary and housekeeping, etc., we have 198; and then we have a contingency staff for holiday relief, etc., of some 35; for a total of 731, which comes very close to approximately, I guess if you divided that into 854, would be approximately about .85 staff man years per resident.

With regards to St. Amant, my understanding is that it's roughly one staff per resident, so if we have 278 residents in St. Amant, there is roughly 278 staff. That's approximate now. We could get that figure from St. Amant if you want it. I can't advise the honourable member, and I'm sure he is aware of it, that probably the St. Amant Centre is the best-run facility of its type I would think in the North American continent. They are visited quite often by people from the USA as well as from European countries to see the type of facility that it is, so that it's well equipped staff-wise.

We have allowed an expansion at St. Amant of 2.8 additional staff in this year's budget, as well as allowed for students for a summer recreational program. The Sanatorium Board, I will have to get that information for the honourable member. It approximates about the same as St. Amant, about one per resident, but I'll get that confirmed. There is usually 70 at Pelican Lake which —(Interjection)— yes, 70 is the population. I said that's approximate, Mr. Chairman, and I'd get that confirmed. It might be about .8 or something like that.

**MR. PARASIUK:** I would like to thank the Minister for providing that information. Perhaps he could get the confirmation and just pass it on to us in the course of our estimates review.

I have a couple of questions here, fairly elementary ones, but I need some responses from the Minister on this. I take it the school at Portage la Prairie is a provincially-run school, it's administered directly by the province. Pelican Lake Training Centre, is that one that is administered by the province directly or is it one which is run by another board? Is it a non-profit entity that is paid a per diem by the government? And the same thing holds true with St. Amant. Perhaps he could just explain those three, because I get a bit confused between the three of them, which one is government and which one isn't.

**MR. MINAKER:** Mr. Chairman, the Honourable Member for Transcona is correct that the school is operated and run by the province. With regards to St. Amant Centre, it's an external agency that provides its service for us. Last year the per diem rate we paid them was 50.44 per day for the residential program, and the day care program rate was 22.95 a day. With regards to the Sanatorium Board — by the way, that is a non-profit organization — it's operated and administrated by the Sisters of Charity, the Grey Nuns, that's St. Amant. The Pelican Lake Training Centre is operated by the Sanatorium Board and it is also a non-profit board. They are receiving at the present time 40.99 per diem rate, and that covered 25,471 days of care last year.

**MR. PARASIUK:** Mr. Chairman, I'm wondering if the Minister — and again, I'll give him this question and if he could, I think he could provide me the information. If he can today, fine, but if he can't, I'll wait until we get it in time for the review of the Minister's Salary, because I think now that we're starting the Budget Debate we'll have enough time to get that information.

Can he give us an indication of the increases, absolute and percentage, over the last three years for these three institutions, namely Portage la Prairie, Pelican Lake, and St. Amant? I'm pretty sure that breakdown would exist. We're talking about a big item of 20 million here, and this item is one of 10 million, which is really the size, Mr. Chairperson, of . . . or larger than many departments that we are going to cover. So I think asking for that type of breakdown for those three institutions isn't that unreasonable and I'm wondering if the Minister would undertake to provide the absolute and percentage increases for the last three years. So just

give me the absolute increases, I'll figure out my own percentages.

**MR. MINAKER:** Mr. Chairman, I can get that information for the honourable member.

**MR. CHAIRMAN:** The Member for St. Boniface.

**MR. LAURENT L. DESJARDINS:** Mr. Chairman, I think that under CAP there is some controversy and some cost-sharing by Ottawa on that. Could the Minister explain or tell us where Canada participates and what I think it's an adult involved in the other institutions, we get up to 50 percent or equivalent to the OAS and the GIS equivalent; that would be for the adults, yes.

**MR. MINAKER:** Mr. Chairman, at St. Amant, for the children, we get up to 50 percent of sharing with the federal government under child welfare splitting at cost. I'm sorry, at St. Amant it's 50 percent for the children. Where it's an adult involved in the other institutions, we get up to 50 percent or equivalent to the OAS and the GIS equivalent; that would be for the adults, yes.

**MR. DESJARDINS:** Mr. Chairman, I certainly join the Minister in congratulating the Grey Nuns, who have so many good programs, and some that they started. I think that they practically shame the government, and I'm talking about the former government and this government, try to help them to recognize what they're doing. I don't think you can say enough about the good work that these people have been doing since Manitoba is a province, and before that I think.

At St. Amant, I know that there were other programs also. They had a day care program. Is that still going, and what is the population? How many spaces in the day care? Is that day care financed the same as any other day care? Is it normal, or is it something special? Is there any contribution from the federal government on that? Is the federal government taking that into consideration when they make their contribution? Also, Mr. Chairman, unfortunately I don't recall the name of the dentist that was doing some special dental work there for these people, and then any other retarded or handicapped people also would have the work done. I'm talking about the dental work that was, and I would imagine still being done, special dental work for these kinds of children, high-strung kids and so on, and people were coming in from outside also, not just the patients. Could the Minister tell us if that's still going on, if that program has expanded, and roughly explain the financing of that also, please?

**MR. MINAKER:** Mr. Chairman, the answer to the first question regarding the day care program, there are 26 spaces that are still provided at the St. Amant Centre, and it is funded directly with the Board of St. Amant. I think I gave the rate earlier of 22.95 I believe it was for the day care costs, that we fund that directly under this program to the board. — (Interjection)— Yes, it's special.

With regards to the dental program, there is a full dental suite in the Centre, as the honourable member knows, and that service is provided to the patients, inpatients as well as a general dental

service to the mentally retarded children that would be outside the facility.

**MR. DESJARDINS:** Mr. Chairman, I knew that there was a suite, but I was asking the Minister, has there been a need? That program was expanding at the time, has it been cut down, or is it a program that's growing? How is that working now? Because I think that dentist was the only one; the province was fortunate in obtaining his service, and he was doing very good work. I would like to know also how this is financed, Mr. Chairman.

**MR. MINAKER:** Mr. Chairman, it's right within this budget, and as far as I know there hasn't been any cutback. It's the board that basically controls that level of service and it just forms a line in their budget, but it's funded right in here.

**MR. DESJARDINS:** Mr. Chairman, it would appear that the Minister hasn't got the information that I want. It's still there, and as far as the Minister is concerned it's not cut down, but I wanted some kind of a progressive report. I wanted to know for instance the number of children that are seen during the period of a year, and does that meet the needs of all these people? Are they brought in from other group homes or other places like that, because as far as I was concerned it was the only place in Manitoba doing that kind of work. He was the only one.

Mr. Chairman, I guess I'd have to talk about this at this time. I don't see anywhere else. I'm talking about the day care. The Minister said that the financing of the day care program for St. Amant is being done separately, it's part of the budget. I think it's a line in the budget also, and that is taken care of like that. I can't help but bring the Minister back to yesterday afternoon when the Member for The Pas had somewhat the same kind of situation. We've said, and we all agree, that there is wonderful work done by the Grey Nuns and I think I wouldn't be out of place if I mentioned Sr. Baumann at this time, because she's been there for years and she's been working very hard. I don't remember the name of the facilities that were requesting funds for day care. The Minister yesterday — I'm talking about the member from The Marigold, yes — and I wonder why, why, if there's going to be priorities, and even the people on all sides of the House, I've heard it said many times, well, maybe I'm not a socialist but if that's socialism, I'm ready to out-socialize any socialist when it comes to taking care of kids that can't help themselves. And they should be certainly amongst the first priorities. Those are children that are handicapped, and they can't compete . . . the Minister said there will be 10 percent more spaces and it will be treated like a new group, and if there is a chance, fine, they can pick up these places. The Minister knows that's not an answer and that's not going to be done and there is more money required, the funding is higher. It wouldn't cost very much, there's no reason why we can't have a program for these types of children to help in this day care. Because it does, like the Member for The Pas said, it does provide spaces and it does help to give daytime service, and if that is not available, then you need more institutions.



So the member and the Minister must know that the Minister is absolutely right. And I don't fault the Minister for that. He just came in this portfolio, and it's a difficult one. I'm certainly not one that's going to tell him that he has got to fund every single organization, everybody that makes a request. You have to be careful, there's no doubt about that. But this, I think, should be one of the priorities and, as the Member for The Pas said, this is an area where you are going to save money on the long run. I would hope that the Minister left the door open, he said. Well, I hope that's not just to appease us and satisfy us this year and then he will forget about it.

He also stated that it could be looked at in the day care; well, that's not going to work. That's not it at all; there will be enough people competing, ordinary well children. This is something special, Mr. Chairman, how the CAMR — the Minister kept repeating that they should do it. Well, then, as was demonstrated yesterday by my colleague, the Member for Seven Oaks, there has been quite a reduction in that group. I know that they weren't too happy last year when there was a reduction. The Minister has increased it now, but if you look at the amount that the Minister had for that and we look at the situation of what it was four years ago, even with the increase there is still 15 percent less than there was four years ago. That doesn't make sense, Mr. Chairman, and I know that we've passed that. This is the only way where I can talk about it, because you're going to need more spaces, that's why I'm talking about more institutions. That is why I mention that at this time and I think that I'm on the right subject. I'm talking about institutions and I'm making a point that if there is no help to some of these areas, like the Marigold, that we'll have problems and we'll need more spaces, Mr. Chairman.

This is the point that I was trying to make because the Minister mentioned two or three times that CAMR should provide that and they can do it. Well, the Minister knows that they can't do that; they have had to cut some of their programs and they don't really operate that many programs. I don't think that's their function, as such. I know that the CAMR at Steinbach run the Steinbach facilities, the one that had been transferred to Steinbach, Mr. Chairman. So I think it's a difficult thing; we can discuss day care when we come to Day Care, but now we're talking about special children. They should be special to all Manitobans and they should be special to all members of this House, Mr. Chairman. I think that we should take the time to see and try to improve their lot.

You know, we're so fortunate the way we were born. We complain all the time. We criticize all the time. Most of us, I would imagine, are also very fortunate, as parents, that the children that we have are healthy. I don't say that we have no problems with them, but now we're talking about the handicapped people of society. It seems to me that they should be, even the most Conservative, the most Conservative right-wing government would not worry about implementing restraint when it comes to taking care of these children that can't help themselves. As I said before, I think you judge a nation, a province in this case, by the way they take care of those that can't. You know, you can't pull out this thing that they're bums, they're lazy, they're

crooked and they don't want to work. Those are people that can't help themselves and I don't think that we can do too much for these people. The member was talking about 10,000, I think at the most, or he mentioned the possibility . . . Well, 15 at the most but I think they would be very pleased if they got 10,000.00 I don't think that's going to break the province, Mr. Chairman.

I know that those we are covering now, the facilities that we have, are doing good work. I know that we've had some concern. I guess that we were sending, at one time, some of these people outside the province and now we pretty well have them here. I think that we have more facilities. Now we're working on that. I think the Minister has stated that and we're taking care of more of them.

If I could make a strong point not in a spirit of criticism, I would just implore the Minister — and I don't do that too often; I usually like to criticize when I think it's proper but I understand the difficulty that the Minister finds himself in — but I think that he should beg, borrow or steal. And, yes, he stood up quite properly and said that they are not going bend regulations. Well, that was a revelation to me because there is always a way to find money from somewhere. He could get his hand on his heart and tell me that again and he won't bring tears to my eyes because I think I know a little bit about how these departments are run. I think, if the Minister really wants to, he'll find 10,000 for that group and he will be saving; he won't be stealing it. He might be borrowing it but he won't be stealing it, not from the taxpayers of Manitoba, Mr. Chairman, because it is in the long run going to save money. Not only that, but it's going to be taking care of these children, Mr. Chairman.

We've talked about volunteers and this government and the former Minister was always talking about volunteers; it's like talking of motherhood and nobody is against that, but it has to be more than that. It's not just that you say, we need volunteers and everybody is going to come. They need some help. They are ready to give their time, they are ready to give a lot of time and I'm sure that it's costing them money. But they need a little bit of help once in a while and that is a group, I think, that they will do everything to try to get money. They will raise money. For instance, I would imagine that I'll see the Minister in a couple of weeks. I'll see him at that tea at St. Amant that I have been trying to go to nearly every year. They have it —(Interjection)— No, no, it's on a Sunday and I think it's on the 29th or something. —(Interjection)— You haven't been invited; I'm sure you will be invited.

Mr. Chairman, you will see it will give us a unique opportunity, especially for those that haven't been there, to visit the school. The nuns will be only too glad to take you around and show you the facilities, and I think it would be well worth it, if you point out these children. I'd like to see a lot of members there and I'm sure that they would join me and pressure the Minister and the government to help these kinds of kids. Those are fortunate, in a way: They are so well taken care of and, like the Minister said, when you have the Grey Nuns taking care of you, well, then, you can relax because nobody can do any better. But let's think of others maybe less fortunate that need the help and I hope that the Minister will

fund this. I would try to join him and put pressure on the group. I don't think the Cabinet will listen to me too much but if nothing is done next year, Mr. Chairman, we will bring that again. We will be very much more critical than we are at this time.

**MR. CHAIRMAN:** Before we pass this item, if I could just make a remark to keep the record straight, the date of that tea, and is everybody welcome at that tea?

**MR. DESJARDINS:** I'm sorry, I'll find the date for you and I'm sure that they would be more than welcome to have you, Mr. Chairman, and they would take you around to show you the facilities and so on. In fact, we could try to arrange to go together, if you want.

**MR. CHAIRMAN:** I was just wondering whether all people were welcome to come and attend.

**MR. DESJARDINS:** You are all welcome. If you bring your money, you will be more than welcome. Besides that, they are trying to raise a little money for these children, not for themselves.

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

**MR. MINAKER:** Mr. Chairman, I just want to advise the honourable member that I had spent a very wonderful day with the Sisters at St. Amant a few months ago and had a good opportunity to see the type of work they are doing, as well as the facilities. I, too, would just further compliment Sister Baumann and the crew that she has out there doing the wonderful work they are doing and also their board. I had a chance to meet with their Chairman and another member yesterday, as a matter of fact, yesterday morning in my office to discuss some matters with them. They have a very dedicated group of people there.

Mr. Chairman, I wanted just to draw something to the honourable members' attention, that yesterday the Honourable Member for Seven Oaks was talking about our grant, the CAMR, as well as the Honourable Member for St. Boniface today, and I just wanted to indicate to him that approximately two years ago, my understanding is that CAMR central — we're talking about now, the central head office — got out of the delivery of services. They were providing some services and, at that time, that's when the funding was cut back because the services had been cut back and they primarily became a co-ordinating group and an advocacy group. This is the way that we now look at CAMR as a co-ordination group, rather than a group that's delivering certain services. That is when the actual cut-back occurred. I wasn't involved in the estimates at that time but that's my understanding of the reasons at that time that it did occur and also the fact that in that line there was, I think, about 4,000 — a-dollar-a-day type of thing — for these day care centres, which is a carry-over from the old system prior to the day care program that we presently have. But I would assure the honourable members that wherever the branches of CAMR are that are handling such items as, say, the work activity shops or activity centres, then we

do fund them separately under those particular centres.

**MR. DESJARDINS:** Which one?

**MR. MINAKER:** Well, we would get to those; I think it would be under (c) that we'll deal with that because you see we have them in Boissevain, Neepawa, Brandon, in these various locations, and we'll deal with them under (c).

I think the honourable member raised a question; I didn't copy it down with regard to . . . Oh, he made comment with regard to the Marigold Centre. It was unfortunate that the Honourable Member for St. Boniface wasn't here at the start of the debate this afternoon or estimates, and I believe I gave answers to the Honourable Member for The Pas on that subject that I feel he was satisfied with. You could pick those up in Hansard.

**MR. DESJARDINS:** I must apologize to the Minister if he gave a satisfactory answer to the member; it's true I wasn't here when we first started this afternoon. I want to go back to the CAMR. The amount of money that I'm talking about is just for their role as an advocate, not for any programs that they were running. This is what they were doing and that's exactly where the battle started, I think, because these kind of groups sometimes could be a pain to a government because they keep you on your toes. Of course, sometimes maybe they want too much but they keep you honest and sometime they rock the boat because they are quite militant. It was at that time, last year, and I know that they made representations and they talked to me also and they had to cut certain things because the money wasn't coming, Mr. Chairman.

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

**MR. MILLER:** Mr. Chairman, I wanted to get corroboration on this. With regard to St. Amant, does the day care facility there, the 26 spaces I think it was, is that paid under this allotment here or is it covered separately under Day Care Centres?

**MR. MINAKER:** Mr. Chairman, it's covered under this allotment of the 6,186,000.00.

**MR. MILLER:** I suppose the reason for that, Mr. Chairman, is because this is not a typical day care; it's dealing with certain kinds of children with certain disabilities. Then, I want to ask the Minister, can another facility in another community — Because, you know, all of these are the old establishments, the Manitoba School, Pelican Lake, St. Amant; these are the old establishments — why other similar services provided in other communities such as in The Pas could not be classified as institutional mental retardation services and, therefore, qualify as a bonafide program which are offering similar programs to those that are in this category. Because if St. Amant is not classified as a day care centre in the traditional or common way that we usually refer to day care centres — and I can appreciate why it wouldn't be, because it is a special kind of place — then surely the The Pas facility, which also

apparently deals with this kind of clientele, pre-school children with mental disabilities, retardation disabilities, multiple disabilities, in an attempt to somehow give them some sort of training, very similar to what I imagine goes on in St. Amant, perhaps not as sophisticated, because St. Amant is unique. Which brings me to the problem that we really didn't cope with it, and this government isn't either, but which has always concerned me; that somehow when we deal with these private organizations, it seems to me the government is more liberal with its grants to these organizations than it is to their own facilities. I am thinking of the Manitoba Home. It's much easier to say to a department and the Deputy Minister, or a Director of a facility, sorry, we're only giving eight percent, do with it as you will and forget about it, we're cutting you down. It's much more difficult to say that to these private organizations, whether it be the San Board or whether it be St. Amant.

St. Amant is able I think to apply pressure, which a civil servant can't, and as a result the standards in St. Amant are much higher. They have the funds to do it, both from their own sources, but from the much richer funding which the public grants through the province. And I'm wondering whether the Minister recognizes, that just because Portage is owned, operated and staffed by civil servants and therefore is a line department responsibility, that he has to, if anything, look to enhance their funding and improve their funding, rather than be the easy target for funding cuts when it comes to determining that we're just going to go up a certain percentage, to take it out on the publicly-owned facility and tend to be easier on the privately-owned facility because the privately-owned one can apply a great deal more political pressure than people who are working for the Ministry.

So I am wondering, two questions, cannot a place like this facility in The Pas be classified as institutional if it's programs are similar to, and if it's clientele, target population, is similar to what is being serviced in St. Amant, and isn't that one way to go? The other, the whole question of staffing patterns in the various places — in the Manitoba Home, I think it is .85 versus one which is, you know, 15 percent difference in staffing of one over the other, and whether he shouldn't consider, that because it's owned by government, owned by and totally funded by the province, whether it really shouldn't be given greater support vis-a-vis the privately-operated institutions or facilities, whether it be in this field or in any other field.

**MR. MINAKER:** Mr. Chairman, when I indicated that I couldn't answer whether the number of residents would go down at the school, it is our objective to reduce the number of people in the school, but not to reduce the numbers of staff, so hopefully there will be that transition of a higher staff to resident ratio. That's one of the objectives.

Mr. Chairman, we are looking at other facilities and what-have-you at the school, which I guess would follow as these facilities are put on the site, will result in additional staff complements. And I'm thinking at the present time of the recreational facility that is presently being designed and is scheduled for next year out there, which is a

combination of gymnasium and recreational facilities along with the projected swimming pool to be phased-in in the following years. As well, it is my understanding that the Minister of Government Services has indicated that the plans and design have been let for the upgrading of the hospital infirmary at the school. So as these things take place, obviously the staff complement will increase as well, and hopefully the level of services will — well, obviously they will improve, so that we do have these types of programs planned for the school.

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

**MR. PARSIUK:** Sorry, thank you very much for recognizing the 30-second dash.

**MR. CHAIRMAN:** Well, it kind of reminds me of my football days, about how I anticipated particular plays, and I was deked right out. I'm not going to say out of what, but you did very well.

**MR. PARASIUK:** Point of order, Mr. Chairperson, I notice you are able to notice me much more clearly when you're not wearing your glasses than when you're wearing your glasses and I wonder if that has any reflection upon your eyesight when you were a referee.

**MR. CHAIRMAN:** (1)—pass; (2)—pass; (3)—pass; (4)—pass — the Honourable Member for Transcona.

**MR. PARASIUK:** (3) on professional training, I'm wondering if the Minister can just indicate why we have a decrease there. Is this for training of psychiatric nurses? If so, I thought there was a shortage of nurses, and therefore I'm somewhat surprised to see a decrease in expenditure at this time. You know, at one time, I gather there was something like an enrollment of 100 people in psychiatric nursing, and I'm wondering if the Minister can give us an indication of whether this is the item to raise this under.

**MR. MINAKER:** I indicated, I guess earlier in the estimates, that this does not include Brandon and Selkirk nursing or professional training, they are in the Minister of Health's estimates.

Now with regard to a slight reduction this year, it's approximately 10,800 lower as a result of lower than planned enrollment in September 1979. I think we're down by 5 approximately. In 1978, 21 graduated; in 1979, 16 graduated; and nurses under training as of January 1980, in first year we have 18 and in second year we have 17, for a total of 35.

**MR. PARASIUK:** It would strike me that this is another of those areas where we are indeed having a decline in the number of nurses, and is the government doing anything in particular to try and get more people involved? Are they going out to schools, are they trying to inform the people of Manitoba that there are opportunities and that these opportunities can indeed be long-term and that people have career possibilities in this area, providing a very critical and vital need.

**MR. MINAKER:** Mr. Chairman, we do take an active position in the schools, trying to recruit students to go into nursing, and in addition, as I indicated, we've just increased our staff complement by 15, so we are increasing the opportunities for these nurses as well. So that we do have an active program, trying to recruit them in the schools.

**MR. CHAIRMAN:** (3)—pass; (4)—pass — the Honourable Member for Seven Oaks.

**MR. MILLER:** Before you pass this, with regard to the amount recoverable from Canada, I would like to get some information. The 5,365,000 recoverable from Canada, under what program does this qualify for federal funds, is it all CAP money? The Minister nods his head, yes it is, in which case that would therefore be those people who are in these institutions who in fact are of adult age and are classed as adults, therefore they qualify for social allowances. Am I right in that?

**MR. MINAKER:** Mr. Chairman, most of it are the children in St. Amant, that we recover it under. Under CAP, I'm sorry. There is a bit under VRDP as well, but the majority is CAP.

**MR. MILLER:** If the majority are CAP, Canada Assistance Plan, then is the Minister saying, it's the children of St. Amant who get covered under CAP — he's nodding — because I notice of the increase here, in the total budget, of the 1 million for external agencies, which would be St. Amant, the increase from the federal government is close to 800,000.00. So does it look like, out of the 1 million increase, if St. Amant is the major beneficiary under CAP, is 800,000 the federal increase due — I mean, is the increase of 1 million that the government is spending, really only 200,000 of 800,000 is coming from the federal government? I'm looking at Recoverable from Canada, 5,365,000, I'm trying to break it out. If, as the Minister says, that the bulk of the money is under CAP, payable because of St. Amant, and if the increase in the federal government is 1 million compared to last year, because I'm taking last year's figure, print over print, showing an increase of close — well I guess it's more like 800,000 increase, then of the 1 million increase about 800,000 comes from Ottawa. Am I right on that?

**MR. MINAKER:** Mr. Chairman, my understanding of the reason, is that last year's figure that the honourable member is looking at, would not include the general recovery that we would get from the salary increases, it would not be shown in that recovery figure of last year, and is picked up in this year's program by showing the amount that would be recoverable from Canada. And also, Mr. Chairman, it's my understanding that the actual recovery was higher than what is shown in last year's estimates that the honourable member is looking at.

**MR. MILLER:** Mr. Chairman, it's true that salary increase is not reflected, just as they are not reflected in this year's figure for the increases that still are to be settled, so the only thing we can go by, therefore, is print over print. So just as last year's

figures were lower than what you actually received from Canada, this year's figure of what you anticipate receiving from Canada is probably lower than what you will be getting, because what you will be getting will reflect the increased salaries. So since both sets of figures will change, or one set did change, the other will change, the difference of 800,000 probably will remain constant, so I'm questioning, is it valid to say that the increase we see here of 1 million, 800,000 is really federal funds?

**MR. MINAKER:** Mr. Chairman, the only thing I can suggest, that we'll take the question as notice and try and get the detailed information on a breakdown of both institutions, if the honourable member so desires.

**MR. CHAIRMAN:** (b)—pass; (c) Rehabilitation Services to the Disabled, Item (1) Salaries—pass — the Honourable Member for Transcona.

**MR. PARASIUUK:** I'm not sure where the Aveyron Services Incorporated at Swan River would come under. I know it comes under this general item, and I think that since staff are involved in dealing with this matter, I think it's appropriate to raise it now. I think I can pass on the regrets and condolences of members of the House, I believe that the Director of this section here, Frank Vince, just passed away a few days ago. Isn't he in this section? I thought so. Pardon? Yes, this is his.

I know that there has been some difficulty in trying to resolve the situation of these workshops that exist throughout Manitoba, and which provide an opportunity for physically and mentally disabled adults to really get involved in some productive activity in a way which realises more of their potential, and I know that some of these workshops, especially those in more remote areas from Winnipeg, have difficulty making ends meet because the market for their products isn't as strong as is the market for the products of those workshops located in Winnipeg or Steinbach, or places like that, that are in closer proximity to the major urban centre. I know there's one in Swan River that's running into some difficulty. I know that it is a non-profit workshop where there's an advisory board or at least a group there that are running it on a non-profit basis and they find themselves in some difficulty. I'm wondering if the Minister can indicate what the approach of the government is with respect to these workshops. Is it a matter of trying to squeeze them to the point where the people trying to run these workshops give up? And that's the point that I'm concerned about.

I believe that the one at Swan River has a deficit, or had a deficit last year of 14,000.00. It's worked very hard to reduce that deficit to 8,000.00. It has 35 clients: 20 who live in residence; 15 who come in on a daily basis. There is some increase proposed on a per diem basis, I think 90 to 100 per client subsidy, and it's projected that unless the subsidy is increased to something like 110 that there's a very good possibility that this organization could go bankrupt and at that stage I think would be faced with something much greater than the subsidy involved. I think we'd have to place these people into institutional care.

I think that this whole program of workshops for the physically and mentally disabled is very good. I know we have something like over 1,000 people involved in the program. But I know that there are some specific communities . . . Dauphin is another one that had difficulties. I'm wondering if the Minister is providing sort of a flat per diem right across the province and not taking into account the fact that those outlying workshops may have difficulty, that's one. Secondly, is he looking at each workshop on an individual basis? Because when we discussed personal care homes, for example, the Minister of Health said, although we have an average, we tend to look at each one specifically to determine their special circumstances. I think the same approach should hold true with these workshops; that although you may have a general approach, it's very important to look at the specifics because I think that this program here is extremely valuable. I note it's another one that's cost-shared by Ottawa, but it is very valuable.

I know that in my experience, in terms of visiting some of these workshops, it's been very very good. I feel that the province should not really try and be so tight as to put these workshops in jeopardy and I feel that the one in Swan River is in some jeopardy. I'm wondering if the Minister can respond to my general questions regarding workshops and if he can respond, specifically, with respect to Swan River.

**MR. MINAKER:** First, Mr. Chairman, I would like to pay respect to Frank Vince, who was the Director of Provincial Coordination and Rehabilitation for Manitoba. Frank passed away on May 8 and had been a devoted public servant who had spent a good part of his life devoted to continuing the development of the Provincial Rehabilitation in Manitoba for the mentally and physically handicapped or disabled. It is an unfortunate thing that has happened to Frank and our feelings go out to Mrs. Vince and the family. He will be a person that will be missed, not only as a civil servant, but as a gentleman and devoted Manitoban.

With regard to the Swan River Workshop, I would like to say that our Acting Director of Vocational Rehabilitation is having a meeting with the board tomorrow to deal with their problems and to review their financial statements and I am hoping that we will get the audited statements so we can have a look at the problem out there before we make comment on what can be done. The only thing I can indicate to the honourable member is that there was a situation that occurred at the workshop Arm Industries in Brandon, where there were difficulties and we have provided a special one-time grant in that instance because we know the importance that these type of facilities are providing for our special citizens who require this type of service. Obviously, we will be reviewing the situations in those work activity centres in the same way and feeling.

For the information of the honourable member, we have increased the monthly payment per client to 100; it's roughly an 11 percent increase over last year. It is a flat rate to the Occupational Activity Centres that are located in the rural and city areas that are supplying that type of a service. But we do look at each one individually when it comes to transportation costs. There isn't a flat rate for

transportation costs per se for getting the people involved in the program to the Occupational Activity Centres.

The other thing is, that the individuals themselves, I guess 90 percent of them are on social assistance so that they are receiving income — this is the individuals involved in the workshop — and in addition we do provide a business consultant to try and develop the business or the marketing of their product. But primarily, the interest that we have, as a department, is that that service is available to the individuals who require this type of service and that we count on, to a large degree, that the people, the citizens interested in the area who become the board members, look after and take part in the activity of trying to get the shop to break even or make a small profit.

It was very clear when we dealt with Arm Industries that we didn't want to get involved, as a government, in the marketing of the product or the manufacture of it. We were primarily interested in the counselling, in the skills training and the general service they were providing to the individual, rather than get involved into operating a business, and we still hold that point of view on the smaller occupational centres. But we also take the view, it's a very important service and we would not let them fail. If there's some way we can assist them, either with business development or whatever, we will do that. In the case of Arm Industries, it required an injection of 225,000 in a special grant for one year, or actually it was for two years of losses, which is extraordinary in that instance.

I would like to announce or indicate to the honourable members that there is a new facility in Winnipeg, Doray, that will provide for 50 clients this year. In addition, we've provided a new facility for 25 new clients and also, I believe there's an expansion of an additional 40 spaces in this year's budget for existing facilities so that we recognize the importance of this type of facility and service that it is providing to our special citizens.

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

**MR. J. R. (Bud) BOYCE:** Mr. Chairman, I wish to thank the Minister for raising Frank Vince's name and we, on this side, would like to join him in his expression of appreciation for the efforts of Mr. Vince. It's usually the tradition in the House when one of our own members passes on, that we pass a Motion of Condolence. But, Mr. Chairman, so many times some very able civil servants, very quiet people who go about their business doing a job for the people of the province, leave us with no fanfare whatsoever. And having been acquainted with Mr. Vince and very appreciative of his efforts, I think we should put on the record just briefly that he was instrumental in saving the taxpayers of Manitoba literally millions of dollars. In the treatment of alcoholics, for example, he was a ferret; if there was a federal dollar available for any program, Frank Vince would find it.

I was wondering if the Minister would care to send a copy of our remarks in the House to his widow, in that we, as members who worked with Mr. Vince

over the years, appreciate on behalf of Manitobans, his efforts on their behalf.

**MR. MINAKER:** Mr. Chairman, I thank the honourable member for his suggestions. I had those intentions as well, but thank you for your comments.

**MR. CHAIRMAN:** To the honourable members, if I could just make a couple of remarks also, I had the great fortune of knowing Frank Vince also, 23 years ago when I was the Sports Director at the Winakwa Community Club when it was first originated, and I was the first Sports Director. I had some problems finding hockey coaches. Frank was living in Windsor Park at the time and he was the first one who came forward to offer his services. The program has developed something out of this world since that time because of the efforts that Frank had put in as one of the first four hockey coaches in Windsor Park, and it's a great loss to all of us.

The Honourable Member for Transcona.

**MR. PARASIUK:** Mr. Chairperson, I'm wondering if the Minister can now indicate to us where the supplementary estimate item of 225,000 should go. I think it's for this item, Rehabilitation Services to the Disabled. It was the one filed yesterday, and I can't find my copy right now to determine exactly under which sub-item it goes.

**MR. MINAKER:** Mr. Chairman, the 225,000 will appear in Item (4) External Agencies, to cover that special grant to Arm Industry.

**MR. PARASIUK:** Thank you. I have a copy of the External Agencies listed you gave out the other day and I see under it about six external agencies, beginning with Canadian National Institute for the Blind and ending with Skills Unlimited. I know that will be discussed under 5.(c)(4). However, what about all these other workshops? I assume that these are workshops and I'm wondering where they are covered. You see the amount for 5.(c)(4) amounts to 4,053,000 and that's in the estimates right now and I'm wondering where these other workshops are covered. Are they covered . . . —(Interjection)— Under (3)?

**MR. MINAKER:** Mr. Chairman, they're covered under Item (3) for 1,139,300.00.

**MR. PARASIUK:** Just for my own satisfaction, and I don't ask for it now, could I get a list of the workshops? I don't really want to flog this issue but I know that there are some in Steinbach and Beausejour and other places like that and I don't know where they all are.

**MR. MINAKER:** Yes, we can provide that information for the Honourable Member for Transcona. I might just comment while I'm on my feet that we have, I think, an excellent program here. In fact, we are providing this type of service to some 865 disabled people in the 21 occupational activity centres throughout the province. I might just say that there was a news release just the other day from the Saskatchewan government. They basically have about the same population as we have and they

indicated they have 13 sheltered workshops with grants totalling 890,676 and deal with or accommodate approximately 700 handicapped persons, so that we seem to be holding our own or a little better than other provinces.

**MR. PARASIUK:** Although we're holding our own with other provinces, my understanding is that we're slipping within the province itself, and my understanding is that we did have last year 24 workshops, not 21. I don't have the list, and my understanding also is that we had 1,075 disabled persons in the program and now I'm somewhat surprised when the Minister says we have 865 people in the program because, if that's the case, that's a fairly phenomenal reduction of 200 within one year. I'm wondering whether this is because the workshop in Thompson is operational. Is the one at Notre Dame de Lourdes operational? What's accounting for the fact that we seem to have had this fairly substantial decrease? I know that my memory isn't tricking me here because I remember marking down in my estimates book last year the fact that there were 1,075 disabled persons under this program and there is a very substantial reduction there.

**MR. MINAKER:** Mr. Chairman, I guess, to the Honourable Member for Transcona, there are 21 occupational activity centres as there were last year but there will in fact be an additional one added to that this year and I guess what the Honourable Member for Transcona is including in this 24 is your vocational workshops, where an assessment centres, and they are also sheltered businesses such as Arm Industries and Skills and CNIB . . . Not CNIB, I mean the Society for Crippled Children and Adults Employment Preparation Centre. Those are the three.

With regard to CNIB, they provided services for 1,600 blind persons in Manitoba last year. In the Society for Crippled Children and Adults, services were provided to 7,968 individuals by way of counselling, medical diagnosis and assessment treatment. In the Employment Preparation Centre, they served 203 persons during 1978-79 with an average daily enrollment of 72 persons. They also are currently serving 20 profoundly deaf children. I indicated in our opening remarks at the start of our estimates this year that there was a 24,000 expansion in the budget to enable the Society to provide phonic ears for these children.

Then Arm Industries has the capacity to deal with 90 people; 45 in counselling and assessment and 45 in the training section. Skills Unlimited provide continuous employment opportunities for 101 disabled persons. I believe that is where possibly the misunderstanding took place, was the definition of the 24 workshops that the honourable member was using.

**MR. PARASIUK:** Is the Thompson Workshop operational now? Is it operating right now, the Thompson Workshop, and how many people are in it?

**MR. MINAKER:** Mr. Chairman, there is, I believe, 10 in the Thompson Workshop Centre but we've allowed for 2 additional for this year. I might just

point out where the 40 additional persons are going to be, the service is going to be supplied to the clients. In Boissevain we're adding 3; Neepawa we're adding 4; Brandon we're adding 7; Dauphin we're adding 2; Swan River we're adding 10; Thompson we're adding 2; Selkirk we're adding 2; Stonewall we're adding 1; Steinbach we're adding 6; Beausejour we're adding 1; St. Malo we're adding 2; and we're providing a new centre in St. James to serve 25 new clients in the western part of Winnipeg.

**MR. CHAIRMAN:** (1)—pass; (2)—pass — the Honourable Member for Fort Rouge.

**MRS. WESTBURY:** Mr. Chairperson, I hope that what I am going to say will be acceptable under this section. I don't know if this Minister has any opportunity to participate in housing programs for the physically handicapped but unfortunately we don't seem to have very much opportunity to question the Minister responsible for Housing.

There is a need for new housing for handicapped people. I have had the opportunity of visiting some of the apartments in the Focus One project at 375 Assiniboine Avenue and these are admirably suited to people in wheelchairs and to other handicapped people. However, there is a waiting list of people who are waiting to move into 1010 Sinclair. There is a need for other housing programs designed for people ready to move out of 1010 Sinclair. The Sinclair apartment complex is designed to assist young physically handicapped people to bridge the gap between the surroundings of hospital and nursing home, family home, and the gap between that and accommodation which is necessary to carry on an independent lifestyle, and this is working admirably. But if it's to continue to fulfill this role, I suggest, Mr. Chairperson, it's necessary also to develop alternate housing and support systems for those tenants who are ready to move on from 1010 Sinclair.

The Focus One model for severely disabled people requiring daily personal care is, I am told, working very well and, as I have indicated —(Interjection)— Pardon? Oh, I should have . . . How do you ever know where these things come up? Very confusing. I'm sure I could do a better job of organizing estimates. So anyway, I'm cut off.

**MR. CHAIRMAN:** The time is now 4:30. Committee rise. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

### IN SESSION

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

**MR. KOVNATS:** Mr. Speaker, I move, seconded by the Honourable Member for Roblin, that the report of Committee be received.

**MOTION presented and carried.**

### PRIVATE MEMBERS' HOUR

### RESOLUTIONS

**MR. SPEAKER:** We're now in Private Members' Hour. First item of business on Wednesday's is resolutions.

#### RESOLUTION NO. 8 — NATIONAL OIL SUPPLY AND PRICING POLICY

**MR. SPEAKER:** Resolution No. 8, the Honourable Member for Brandon East. The Honourable Member has five minutes.

**MR. EVANS:** Thank you, Mr. Speaker. Speaking very briefly to the Honourable Member for River Heights' amendment, I would say that we could agree with probably all of the whereases, the implications of the whereases and perhaps the resolution but we do have some trouble with item number 3 of the whereases, Self-sufficiency pricing for oil, to encourage increased domestic production and decreased reliance on imports. The whereas suggests that we agree to this and we are concerned that that expression, self-sufficiency pricing for oil, implies world prices or some approximation of world prices.

Mr. Speaker, I want to go on record as agreeing with the position taken by the Ontario government. I have a statement prepared by the Honourable Robert Welch, the Deputy Premier of Ontario and Minister of Energy of that province, which he made on October 24th, 1979, wherein he says, and I am quoting, There are those in this country who would like to see the price of Canadian crude oil go to world price. We, in the Ontario government, oppose such a policy. Not only do we believe world price is unnecessary to the achievement of domestic crude oil self-sufficiency, it would do incredible harm to the Ontario economy. Mr. Speaker, we could substitute in there, the Manitoba economy. When the Ontario economy suffers, the entire country suffers. Every time the price of a barrel of oil goes up by 1, it drains 300 million from the Ontario economy, 300 million which would otherwise have gone back into our economy to the benefit of industry, to the benefit of retailers, to the benefit of consumers and to create jobs.

Mr. Speaker, I think a rough calculation, relating that to the Manitoba scene, I think we could fairly safely say that means roughly around 30 million, I think, is a rough estimate that one could make; that we lose 30 million everytime the price of oil goes up by a 1.00.

So therefore, and I'm reading again, as well, we, in Canada, enjoy the advantage of being potentially self-sufficient in energy. While the rest of the world may be forced to pay high prices for oil, prices not set on the basis of production costs but set artificially high at the whim of the OPEC cartel, we in Canada should not be forced to pay those prices for developing Canadian resources, regardless of what it costs. Canadian oil prices would be lower than world prices, a great advantage for our industries on international markets and greater exports mean jobs for Canadians, a healthier economy not only in Ontario, or Manitoba, but in the entire country. That is why we feel that the price of Canadian oil should

be set in Canada by Canadians and not tied to a price set overseas by a foreign cartel.

Mr. Speaker, that is the position of the Ontario government and therefore I put forward that as our position, and it's a reasonable position. Therefore I would move an amendment to the amendment, Mr. Speaker, and I have several copies here for you, Mr. Speaker, and other members of the House.

I would move, seconded by the Member for Kildonan, that the amendment be amended by adding the following:

BE IT FURTHER RESOLVED that the term 'self-sufficiency pricing' for oil does not imply that Canada should seek to achieve world oil price levels or some automatic approximation thereof.

**MOTION presented.**

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

**MR. J. WALLY McKENZIE:** I have the amendment before me that the term 'self-sufficiency pricing' for oil does not imply that Canada should seek to achieve world oil price levels or some automatic approximation thereof.

Mr. Speaker, it is a subject that self-sufficiency or non self-sufficiency that is still not well understood in the industry, and I don't think it is well understood in this House. I don't think it is understood across Canada. I am certain that the members opposite don't understand the word self-sufficiency. I wish the honourable member would have given a definite explanation of what he is talking about, because, Mr. Speaker, oil in the 1980s is going to be in short supply more and more every day. The matter of a surplus of oil in the world is a word that basically some day soon it won't be in our vocabulary.

I think that self-sufficiency, we have got to look at that term, we have got to look at the source, where it comes from, out of the ground or out of the tar sands in Alberta. Most of it, and the tragedy of the oils today, in my opinion, Mr. Speaker, most of it comes from potentially unstable governments of the world, and of course, as we all know, as has been said many times, Canada leads the world in per capita oil consumption.

I would like to be fair, let's not presume that it is a matter of waste. Canada, we are a vast country, we have a small population, there is large distances, and the northern part of our country has a climate that is very difficult and certainly consumes a lot of oil. We will certainly have to do better in conservation and the substitution of oil products. But, Mr. Speaker, having regard to the realities in Canada, and getting back to this word self-sufficiency, I think that in this country we are always going to be major users of crude oil in particular. It is an essential commodity to our everyday industry and our ways of living, and it is a requirement that is going to increase.

What are some of the realities of energy for Canada, or self-sufficiency, as the honourable member has put in his resolution?

Firstly, our oil production in this country comes where? Basically I say what, 90 percent of it comes from Alberta, light, medium crude and oil of natural gas.

Secondly, the other thing that we have to look at is our replacement potential, and where does the replacement for these energy oil supplies come from, Mr. Speaker? I suggest that they'll likely come from the tar sands in Alberta. Again I ask the honourable member, is he including the tar sands in this self-sufficiency terminology that he has put in his resolution? There are certainly sources of oil offshore in Newfoundland, the Beaufort Sea area, some of the other Arctic areas that are under exploration, and that is about all that we have of known sources at the present time.

The other thing, Mr. Speaker, is the natural gas situation, and that has turned around dramatically in the last year as a result of new exploration, especially in the north where today we have a tremendous surplus of natural gas.

Mr. Speaker, it is an interesting debate that is going on in our country today, where the Federal Minister met yesterday in Alberta with the Energy Minister there to try and resolve the impasse of price and this word self-sufficiency, and I think Alberta has got a special case in this discussion. Because since the 1940s, I recall on the farm where we were trucking oil from Coumts, Alberta, I daresay that it was in 1930s, that skunk oil, but starting in those days the exploration in Alberta, and the people of that province have developed oil and gas reserves in this country that have been the backbone of our economy since those days. That just didn't happen to start spewing out of the ground, Mr. Speaker, somebody had to go in there and develop and explore those fields, spend a heck of a lotta money, risk dollars, so there it is. Since 1974, I guess, Mr. Speaker, I could say that the exploration of oil resources in the country has exceeded great heights. So there we are, Mr. Speaker. Canada today is the leader in the world in the non-conventional oil production; Alberta is the province that has provided that infrastructure, also the research through the oil sands' technology and the research authority, etc., that is going into the development of it.

I just wonder, Mr. Speaker, do we have self-sufficiency or do we not, in our country today? I daresay, Mr. Speaker, that we have the potential, the potential I say, of self-sufficiency in Canada today, but, Mr. Speaker, I just wonder if that is the term that the Honourable Member for Brandon East is speaking of in his resolution.

What are the advantages of this self-sufficiency that the honourable member has brought into the debate, Mr. Speaker? That is the one that has the question mark behind it. I say, Mr. Speaker, if a businessman was about to decide today where he would set up his industry in this country, where would he likely establish his business? It is a good question. Would he establish in the east, would he establish in Newfoundland, where there is resources proposed offshore? Would he go to British Columbia, or would he come to Manitoba, or would he go to Alberta, Mr. Speaker?

Mr. Speaker, I don't like to be offensive, but it is strange to me that the federal government, the government of Canada at this time has somehow backed away from this energy self-sufficiency as a national goal, if I read them correctly. I could be wrong, Mr. Speaker. They seem to have, since the



election, backed off from the terminology of self-sufficiency.

Why then, Mr. Speaker, not have a policy that falls in with the government of Canada? If we are going to solve the problem, then we back off from that position, and I wonder the members opposite who helped the Trudeau government get back into office in this country, here is the Member for Brandon East standing up here with a resolution advocating self-sufficiency in oil, and the government that he supported in the east are backing off from that position. Mr. Speaker, it certainly leaves me wondering as to where our members opposite stand on the issue. I know he read into the record the Ontario position, which was very cute and very neat, and certainly didn't add anything to the discussions of what we mean by self-sufficiency. It is certainly quite nice for Ontario to talk about self-sufficiency of oil when they don't have any in their barrels, it is all being brought in from some other source.

Mr. Speaker, I certainly find it very difficult to stand in my place today and support the honourable member, especially when he related so closely to the federal position not so long ago, and here we have him today saying that they are going to go the opposite way from the Feds now. He is adding self-sufficiency as maybe a way of improving this resolution. So as I sit down, Mr. Speaker, I have a very difficult time in trying to analyze what the honourable member is referring to, or if in fact he is sincere; or is it just to try and add a little political embarrassment to the resolution by adopting the Ontario Conservative position and throw another link into the chain of amendments that are before us, and to make it more difficult for us to vote on this resolution.

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

**MRS. WESTBURY:** Thank you, Mr. Speaker. I must say that every day I learn something new. I found out today that it was the NDP who helped the Liberals get elected. I have been giving all the credit to Mr. Clark and Mr. Crosbie.

**MR. BOSTROM:** How about Lyon?

**MRS. WESTBURY:** Yes, well, he helped us too. Mr. Speaker, I have no difficulty in supporting the amendment to the amendment. In fact, it is an improvement upon the first amendment proposed by the Member for River Heights. In fact, the original resolution was acceptable to me, as it is a true reflection of the Liberal Party position, the Liberal election oil policy.

The amendment by the Member for River Heights is not objectionable in itself in terms of policy of the Liberal Party. It is objectionable to me chiefly because it is claiming all the credit for all of the ideas in oil policy to Mr. Lyon, to the First Minister. Again it is a lock-step Lougheed position.

The First Minister in all of these amendments that come forward from the Member for River Heights seems to be taking a lot of credit for all of the things that the federal Liberal government has been doing. It was the federal Liberals who separated the Canadian oil price from the OPEC price and who

took the initiative in finding new energy sources. They also made a campaign promise, I would remind the House, to establish the alternative energy corporation.

It has been a matter of disappointment and grief to me as a former colleague in the City Council to see the enthusiasm and talents of the Honourable Member for River Heights being channelled in such a way that he has become the chief cheerleader of his party for his leader, and I hope that he finds himself another role fairly soon. I realize that he has to pay his dues, but his talents are being wasted, it seems to me, in presenting these amendments, these rah-rah-rah for us amendments which he's bringing forward on most of the motions that seem to come from this side of the House. As I said, I have no real quarrel with any of the final resolutions in the original proposal or in the Member for River Height's amendment, and I endorse and support the amendment to the amendment.

**MR. SPEAKER:** We're dealing with the sub-amendment, as proposed by the Honourable Member for Brandon East.

The Honourable Member for River Heights.

**MR. GARY FILMON:** Thank you, Mr. Speaker. In rising to speak to the amendment to the amendment as proposed by the Member for Brandon East, I believe that although it has been stated by our government on numerous occasions and, indeed, by the former Conservative government in Ottawa that the term self-sufficiency pricing for oil does not imply world price levels and in fact in last evening's Budget Address that position was stated very clearly by the Minister of Finance, the amendment, as it comes to us, is hastily submitted to try in some way capture some of the original intent of the original motion and I would suggest, Mr. Speaker, that it has very little effect. The record of this government and the position of this government is clear. It's been stated by the Premier at the Federal/Provincial Energy Conference and it's been restated in last evening's Budget Address.

Under those circumstances, I don't believe that the amendment to the amendment adds anything of substance and I would recommend that members simply defeat it and go with the motion as amended. Thank you, Mr. Speaker.

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

**MR. BOYCE:** Mr. Speaker, I find this absolutely incredible. The last member who spoke said that this amendment puts on the record, as a resolution of this Assembly, that which he says is supported by the government. For the member to suggest that the only reason for defeating the amendment is that it was proposed by this side, I mean, I'm just flabbergasted, Mr. Speaker, just absolutely flabbergasted.

This is one of the most important matters facing the people in the country, the whole matter of energy, and the fact that we have to address ourselves to things pertaining to energy, from atomic energy to solar energy, to oil energy, all the rest; everybody realizes that oil, as pointed out by the Member for Roblin, is an exhaustible resource. So

for the member to suggest that this is a hastily prepared amendment, I thought it was a well thought out amendment, in light of the Budget speech last night; that we were reinforcing that and letting all and sundry people know that the position of the government and the Opposition in the Legislative Assembly in the province of Manitoba is that moving towards world price should not be a goal in itself, that we have to deal with the problem of energy, in general, and oil as an energy source, specifically. If it is the government's intention to defeat this amendment solely for the reason that it was proposed by this House, I think the voters in this province should have that drawn to their attention.

**QUESTION put, MOTION defeated.**

**MR. FOX:** Yeas and Nays, Mr. Speaker.

**MR. SPEAKER:** Call in the members.

Order please. All those in favour of the sub-amendment please rise.

**A STANDING VOTE** was taken, the result being as follows:

**YEAS**

ADAM BOYCE EVANS PARASIUK  
BARROW CHERNIACK FOX PAWLEY  
BOSTROM DOERN HANUSCHAK WALDING  
MILLER WESTBURY

**NAYS**

ANDERSON EINARSON JORGENSON MINAK  
ER  
BANMAN ENNS KOVNATS ORCHARD  
BLAKE FERGUSON LYON PRICE  
COSENS FILMON MCGILL RANSOM  
CRAIK GALBRAITH MCGREGOR SHERMAN  
DOMINO GOURLAY MCKENZIE STEEN  
DOWNEY HYDE MERCIER

**MR. CLERK:** Yeas 14, Nays 27.

**MR. SPEAKER:** I declare the sub-amendment lost.

We are now on the amendment, as proposed by the Honourable Member for River Heights.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** We will now have the amended resolution.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. MERCIER:** Mr. Speaker, I move, seconded by the Member for Kildonan, that this House do now adjourn.

**MOTION presented and carried,** and the House adjourned and stands adjourned until 2:00 o'clock tomorrow afternoon (Thursday).