

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 15 April, 1982

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. D. James Walding (St. Vital): Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for River East.

MR. PHIL EYLER (River East): Mr. Speaker, I would like to present the Second Report of the Standing Committee on Public Utilities and Natural Resources.

MR. CLERK, Jack Reeves: Your Standing Committee on Public Utilities and Natural Resources beg leave to present the following as their Second Report:

Your Committee met on Thursday, April 15, 1982 to consider the Annual Report of the Manitoba Telephone System.

Your Committee received all information desired by any member from Mr. Gordon W. Holland, General Manager, Mr. Saul Miller, Chairman, and members of the staff of Manitoba Telephone System with respect to all matters pertaining to the Annual Report and the business of the Manitoba Telephone System. The fullest opportunity was accorded to all members of the Committee to seek any information desired.

Your Committee examined the Annual Report of the Manitoba Telephone System for the fiscal year ending March 31, 1981 and adopted the same as presented.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for River East.

MR. EYLER: Mr. Speaker, I move, seconded by the Honourable Member for Riel that the Report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Member for Burrows.

MR. CONRAD SANTOS (Burrows): Mr. Speaker, your Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for Wolseley that the Report of the Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT DESJARDINS (St. Boniface): In keeping with my customary practice of regularly informing the House of the status of negotiations with the Manitoba Medical Association I am pleased to report that I, and members of my staff, had a frank and amicable meeting this morning with members of the Executive of the MMA. While no decisions were made I was heartened by the tone of the meeting and I believe that the discussion which took place gave each party a better appreciation and understanding of the other's position. Following the meeting, Mr. Speaker, I wrote to the MMA — a copy of my letter is attached and it reads, and I quote:

"Dear Dr. Pearson: I wish to thank you for the meeting held in my office this morning at which time we discussed the contents of your April 12th letter. May I, first of all, state that I was encouraged by the tone of the meeting this morning and appreciated very much the frank exchange of information and, in particular, the explanation given by your delegation concerning the matter of an earlier deadline with regard to the review of the MMA's collective bargaining policy. I can appreciate your concerns but may I reiterate my position with regard to the study deadline of November 1st. I explained that we would do everything possible to have the study completed at an earlier date but, in any event, I confirmed that the study would be completed no later than November 1st.

"In explaining this time frame I reminded you that not only I but my other colleagues on the Cabinet Sub-committee will be heavily committed over the next two months to our responsibilities in the Legislature, responsibilities that require our attendance both night and day. I also agree, however, with your position that a substantial amount of staff work could be carried out during the time frame in order that I, and my colleagues, could have all information available as soon as we are in a position to put our attention to this important issue.

"With regard to the second question included in your letter concerning to what extent the association will be called upon to assist in this review, I further explained that the Sub-committee of Cabinet has been designated as a fact-finding committee and not a negotiating committee. As such they will be expected to receive briefs from the Manitoba Medical Association and other interested individuals or groups. These briefs will relate, not only to the proposed MMA's collective bargaining policies, but also we may be seeking submissions from other groups in the health industry and, indeed, other Provincial Governments who could be effected by such policies. I also indicated to you that it was my intention to place this whole matter on the agenda of the upcoming Federal-Provincial Health Ministers' Conference to be held in Ottawa the latter part of May.

"To be more specific, with regard to your question concerning the involvement of the MMA and other groups in a review process, I would see a review taking place as follows:

"1. I would request a complete and extensive written submission from the MMA setting out, not only the principles you wish to prove, but also the mechanics

to be utilized in implementing the principles.

"2. Following our review of the foregoing written submission we will then invite the MMA to a meeting or a series of meetings to discuss your submission to ask pertinent questions in order that we understand your position thoroughly.

"3. We may then be seeking submissions from other interested groups; that is the College of Physicians and Surgeons or indeed any individual or group of practicing physicians who may have a different point of view.

"4. We will be consulting with other provincial governments and the Federal Government on the principle of binding arbitration and the impact that this principle would have in their provinces if accepted by Manitoba.

"5. Finally, after all of the above has occurred, the Sub-committee of Cabinet will make a determination as to whether or not the proposal is, in their opinion, in the best interest, not only of the practicing physicians, but also the residents of Manitoba, following which we will make our recommendation to Cabinet.

"6. After discussing with Cabinet and caucus a decision will be made and the Sub-committee of Cabinet will again meet with the executive of the MMA to advise them of the final decision of government on this complex and far-reaching principle.

"7. If the decision of government was to accept some or all of the proposed MMA Collective Bargaining Policies, we would enter into discussions with the MMA immediately to determine what changes in legislation would be required in order that such policies could be implemented during the 1983-84 Session of the Legislature.

"I would hope, Dr. Pearson, that with our frank exchange today, together with the foregoing commitments, that your association now realizes the serious commitment that government has made to the review of the proposed MMA Collective Bargaining Policies and that the time of this review, whether it take one month or six months, is not the important issue. I would hope that with this commitment your executive would now see fit to recommend to your membership this course of action and instruct your bargaining team to return to the table in order that a fair and equitable fee schedule for the year 1982-83 can be negotiated as quickly as possible. Yours truly."

Mr. Speaker, I believe that the MMA now understands the serious commitment we have made to the review of its collective bargaining policies and I am hopeful will recommend this position to its membership and also resume fee negotiations with the Commission. Thank you, Sir.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I wish to thank the Honourable Minister for his statement and assure him on behalf of the Opposition that it is received with interest and with relief. Regardless of one's position on the issue of binding arbitration, whether one is for it or whether one is against it or whether one simply has questions about it, the fact of the matter remains that it has been requested in good faith by the MMA and that the Province of Manitoba,

regardless of politics, regardless of stripe of government, has a commitment and an obligation to the MMA and to the medical profession to explore and examine that principle and that concept with them. I believe that the steps and mechanics for the review procedure which the Minister and his colleagues have proposed are worthy and though a considerable distance towards meeting that obligation, we will await the response of the MMA with interest indeed. I'm sure all Manitobans will be relieved to learn of the Minister's assessment of the situation as one that at least reflects an improvement in tone, as he puts it. It would appear that the climate is improving and we'll hope for a speedy resolution, Mr. Speaker.

MR. SPEAKER: Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Questions, may I direct the attention of honourable members to the gallery where we have a number of guests this afternoon including 50 students of Grade 9 standing of the Hugh John Macdonald School. These students are under the direction of Mr. Zilkie and this school is in the constituency of the Honourable Minister of Education.

There are five students of Grade 4 standing of the R.F. Morrison School. These students are under the direction of Mrs. Wood. This school is in the constituency of the Honourable Member for Kildonan.

We have 50 students from the Dr. D.W. Penner School. These students are under the direction of Mr. Horn. This school is in the constituency of the Honourable Member for Niakwa.

Mrs. Virginia Lewis, an exchange teacher from Cape Cod, Massachusetts, who has been teaching in Portage la Prairie, is a guest of the Honourable Member for Portage la Prairie.

On behalf of all the honourable members of the Legislature, I welcome you here today.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. STERLING LYON (Charleswood): Mr. Speaker, I have a question for the Acting Premier in the absence of the First Minister. Sir, having had the opportunity to review the preliminary Hansard sheets which your office kindly made available to members of the House and to confirm, Sir, the statements that were made by the Minister of Agriculture, as I stated yesterday in the House and I read them, Sir, for the record and I read them understanding, Sir, that these are the preliminary Hansards which are not in the final form.

I regret I don't have a citation to give as to a page, but the portion in question was this: "Mr. Uruski:-

What does ownership have to do with the provision of food? Mr. Enns: Isn't that an interesting statement? Isn't that an interesting statement? Now, Mr. Chairman, if ever I've been invited to give a lengthy forty-minute, two-hour, three-hour, four-hour

speech . . . "and on and on he goes.

Then, a few minutes later, Mr. Enns again says, "Mr. Chairman, when the Minister of Agriculture tells me, what does land ownership have to do with agriculture food production, then I suspect we are in serious trouble in this province." That was the first quotation, Mr. Speaker.

The second quotation to which I make reference is also from the preliminary Hansard and it quotes the Minister of Agriculture, Sir, as making the following comment in the course of the longer statement: "The very system that the Leader of the Opposition speaks about, that he is so opposed to, Mr. Chairman, we will eventually come about and what happened in the Soviet Union, we are slowly coming about to that."

Mr. Chairman, I'm reading from the preliminary Hansard record. Mr. Chairman, in the light of these serious statements about private land ownership in the Province of Manitoba, can the acting Premier tell the House whether those statements represent the considered view and policy of the New Democratic Party Government of Manitoba and if they do not, Sir, will the First Minister be asking, as he should, for the resignation of the Minister of Agriculture?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. BILL URUSKI (Interlake): Mr. Chairman, yesterday I regret that I was not in the House and then when I was in the House to answer the challenge of the Leader of the Opposition, he, I presume was also out of the Chamber in terms of how he interpreted my remarks and took them out of context. I was responding to his speech that he made in this House speaking about how lands were going; how the ownership of land . . . and if he, Mr. Speaker, if he would have read my remarks with respect to the philosophy of this government in terms of promoting the family farm, and if he looks at that speech, and he picks out the comment that it was our preference that owner-operators are the best and most desirable form of farming, Mr. Chairman, he will then know; at least, maybe he wants to twist it in a way that he didn't get the media that he wanted initially when he made that speech. But, the fact of the matter is, I have no apologies to make. We know that the number of farm lands and the percentage of farm lands that are now being rented and farm sizes are increasing, and the numbers of farmers on farms in Manitoba are decreasing. Mr. Chairman, that is a fact of life. In fact, almost one out of every two farmers in Manitoba are now renting land and it's an increase. We are moving to larger and larger farms, Mr. Chairman, and history will repeat itself in terms of farmland and farm sizes, whether it be farms or businesses are being controlled by fewer and fewer people and primarily people who have the dollars in which to purchase them, not people who would want to be desirous of farming. It is only the wealthy and the elite that are predominantly controlling farmland.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. LYON: Mr. Speaker, even more, after listening to

this attempt at exculpation by the Minister of Agriculture for allowing his real beliefs to come to light about the Soviet system of land holding coming full circle in this province, to use his words. Mr. Speaker . . .

MR. SPEAKER: Order please. Does the Honourable Minister of Agriculture have a point of order?

MR. URUSKI: Mr. Speaker, I rise on a point of privilege. The Leader of the Opposition continues to impute motives into the speech I made, and the speech I made was in response to remarks that he made in his comments to this Legislature.

MR. SPEAKER: I don't believe the Honourable Minister has a point of privilege.

The Honourable Leader of the Opposition.

MR. LYON: Mr. Speaker, in the light of the words used by the Minister of Agriculture which I have read into the record of the House, and he can shilly and shally and worm his way all he wants, but he said it, in the light of that dangerous statement of policy on behalf of the Minister of Agriculture, is the Acting Premier going to tolerate that kind of mentality in the Cabinet? Will they not be seeking the resignation of the Minister of Agriculture?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. MURIEL SMITH (Osborne): Mr. Speaker, it defies imagining how the Leader of the Opposition can hear what has been said and interpret it the way he has done. The Honourable Minister of Agriculture was making the point that the current market system of land ownership is leading to concentration of ownership in fewer hands with larger plots; that is supposed to be the condition we do not want. — (Interjection)— Well, of course, it's not the Soviet system but it's the thing you don't like about the Soviet system, where there is concentration of ownership or great large groupings. If you would listen, Sir, to the Minister of Agriculture, you would see that his policies are designed to produce the economic conditions where large numbers of family-sized farms can exist and thrive.

MR. LYON: Mr. Speaker, my question then is again to the Acting Premier. Is the Acting Premier telling us and telling the people of Manitoba and I use the quotes of her colleague, the Minister of Agriculture: "The very system that the Leader of the Opposition speaks about he is so opposed to, Mr. Chairman, we will eventually come about and what happened in the Soviet Union we are slowly coming about to that."

Mr. Speaker, is the Acting Premier then saying that is the considered land policy of the NDP government?

MR. SPEAKER: Order please. The Honourable Minister of Economic Development.

MRS. SMITH: Mr. Speaker, does the Leader of the Opposition still not realize that what the Minister of Agriculture was saying was that if we do nothing to interfere with the current inequitable unbalanced

effects of the market system, which is concentrating ownership of land in fewer hands, that will be the result? If we do nothing, Sir, that was the imputation. I cannot understand how the Leader of the Opposition can so misinterpret what the Minister of Agriculture has said.

MR. LYON: Mr. Speaker, will the Acting First Minister, who obviously is unable to come to grips with the seriousness of these statements by her colleague, will she take as notice on behalf of the First Minister of the very serious question that is being asked? Mr. Speaker, as well, will the honourable members in the backbench of this government indicate to their constituents and to their people whether they support the Soviet type of land holding system for Manitoba?

MR. SPEAKER: The Honourable Member for Arthur.

MR. JAMES E. DOWNEY (Arthur): Mr. Speaker, through you to the Minister of Agriculture, did he meet with the Manitoba Farm Bureau and the Cattle Producers Association before introducing the Interest Rate Relief Program and the Beef Maintenance Program?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. URUSKI: Mr. Speaker, the entire Cabinet met with the Farm Bureau; I met with the Farm Bureau at one of their meetings and I met with the Cattle Producers who are members of the Farm Bureau on several occasions.

MR. DOWNEY: Mr. Speaker, did he consult with them before introducing the programs on those two specific programs or, Mr. Speaker, is he saying that the individuals who were reported in today's press, that they are incorrect in their statement that he did not meet with them? Is he going to confirm the fact again that he met with them and consulted with them before introducing that program or is he going to accuse the members of the Farm Bureau, the farm community, of misleading the public in a press statement?

MR. URUSKI: Mr. Speaker, I did meet with the Farm Bureau. What I didn't do is allow them to write our program, Mr. Speaker. What I did, Mr. Speaker, right after we were elected, one of the many speeches on radio that I had made, I didn't have to go out to seek consultations with people. People were phoning me, asking me for meetings, giving me advice and, Mr. Speaker, the Farm Bureau gave us advice. They presented a brief to Cabinet; the Cattle Producers presented several briefs to myself; many other organizations presented their views to myself. So, Mr. speaker, obviously they may not have liked their input, but surely it was open to them to present their views and they did, because the Manitoba Cattle Producers Association, who are members of the Farm Bureau were, I would assume, the spokesmen for the Farm Bureau and the lead group in that organization who have presented their views to myself on several occasions.

MR. DOWNEY: Mr. Speaker, can the Minister confirm that he did not listen to the recommendations of the Farm Bureau or the Cattle Producers Association and would he confirm that it was one Mr. Bill Janssen that wrote the program for the beef producers of the province?

MR. URUSKI: Mr. Speaker, the program that is presented was presented to this Legislature and to the people of Manitoba by myself and my colleagues and I, as the Minister of Agriculture, take full responsibility for that program. Mr. Speaker, the advice that we've received is a grouping of advice from all segments of agriculture in Manitoba and the Farm Bureau per se if they really wanted to make an additional submission, and they did to Cabinet, but a specific submission based on beef, they certainly were under no constraint to do so because many groups made their presentations to myself and to our government without me going to them cap in hand and saying, will you please give me a submission? My door has always been open. If they have certain suggestions to make, they, like any other group in rural Manitoba, are certainly welcome to make their views known.

MR. DOWNEY: In other words, Mr. Speaker, what the Minister is saying then, he is in disagreement with the fact that — I'll quote from the press report — "The Manitoba Cattle Producers Association, a Farm Bureau member, put forward a proposal to Uruski, but delegates said they were never approached for consultation on development of a plan," Mr. McCorquodale said. Is he now saying that is incorrect?

MR. URUSKI: Mr. Speaker, I've made my views known; the member can quote from press all he likes. I'm not prepared to respond to the press, I've made my statement as to how the consultation went. If the member doesn't like what went on, he knows how he can handle it, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Pembina.

MR. DONALD ORCHARD (Pembina): Thank you, Mr. Speaker. My question is for the Minister responsible for the Manitoba Public Insurance Corporation. Is the government, through Autopac, proceeding to enter the automobile parts business in this province?

MR. URUSKI: Mr. Speaker, one should realize that the costs of parts have been escalating so rapidly in terms of the last several years. We certainly want to examine the implications that the amount of used parts could be increased so that we would not be paying out the great vast sums of money on new parts in terms of replacement. We certainly would want to examine that; I thank the member for that suggestion.

MR. ORCHARD: Mr. Speaker, that is not my suggestion, I believe it is a recommendation that the Minister has made to the Public Insurance Corporation. In the course of reviewing that suggestion the Minister has made to Autopac, could the Minister inform the House as to how many small businesses would be forced to close and how many layoffs would occur

from such government intervention and government takeover of the parts business?

MR. URUSKI: Mr. Speaker, the Member for Pembina made that suggestion and I thank him for it. The member should also look at the ramifications or the history of the parts industry in the Province of Saskatchewan who have been recycling automobile parts for nigh on 20 or 30 years in a co-operative effort with the recycling industry. The recycling industry now provides a certain percentage of parts to the automobile insurance corporation and I would assume that they would continue to provide those parts even though Autopac may consider, but certainly that's an area that should be considered, Mr. Speaker.

MR. ORCHARD: Thank you, Mr. Speaker. At a time when there are record bankruptcies in the automobile industry and record layoffs in the automobile industry in the Province of Manitoba, could the Minister inform the House as to what impact this kind of government intervention would have on that industry in a troubled time and would the Minister further answer as to whether the implementation of this program would allow the auction of Autopac cars to continue?

MR. URUSKI: Mr. Speaker, I thank the honourable member for the suggestion. All those areas would have to be examined whether the auction would continue, whether we would recycle some cars, whether we would auction some of them. Those are some of the questions obviously that would have to be looked at as per his suggestion.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID R. (Dave) BLAKE (Minnedosa): Thank you, Mr. Speaker, I wonder if the Minister of Northern Affairs in charge of the Environment could give the House some up-to-date information on the situation with the dead animals as a result of the serious fire in Brandon the other night?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. JAY COWAN (Churchill): Thank you, Mr. Speaker. The Member for Minnedosa had addressed this issue yesterday in the question period and I had informed him that I would provide him that information as soon as was possible. I think about a quarter to three, yesterday, I consulted with him personally to tell him that we were, at that time, as a department involved with Mid-West By-Products in order to determine if they would take the carcasses at that time. It has now been determined that those negotiations have been stalled because of the high cost of haulage using that particular system. As a result, my department has been in contact with the City of Brandon and we have negotiated with them in respect to the use of the City of Brandon landfill waste disposal site, and they have decided to co-operate with that. They've indicated a willingness to operate the animals. The carcasses will be buried in layers and lime will be put on top of each layer so as to ensure that the

environmental conditions are being adhered to.

The dead stock, at the present time, are under a collapsed structure and we can't get to them until we get a crane in the area in order to lift the structure and get the dead stock out. We are informed that there is no real urgency in that regard although we are moving as quickly as possible. So to clarify that, we are informed that we have time to bring the crane in and to remove the animals in that way.

Environmental staff should now be on site and should be examining not only the area but the waste disposal grounds in order to ensure that all the necessary environmental requirements are being met. The estimate of dead stock at this time is 600 head of beef and 200 pigs and that's what we will be burying in the landfill site. It is legal to dispose of dead carcasses in this way. The Environmental Management Division will be on site to ensure that it is accomplished in an environmentally sound way and I hope that we will be able to proceed as soon as possible and once we have the heavy equipment in place to lift the structure in a sound and safe manner and then dispose of the carcasses from that point on.

MR. BLAKE: Yes, I thank the Minister for that up-to-date information, Mr. Speaker. I can see there is going to be some concern not only probably with a health problem but with that large number of animals being disposed of in a landfill site, I'm sure his department is looking into all of the features that make or present problems such as runoffs and dangerous things of that nature not only odours, but other factors that may present health hazards.

MR. COWAN: As I indicated to the Member for Minnedosa, departmental staff will be on site during the operation, the removal and the disposal at the waste disposal grounds. I'm assured that they in fact will ensure that all the environmental requirements are being adhered to in the proper way and for that reason, while we share his concerns about potential harmful effects of this disposal process, we are assured that if we accomplish it in a way in which we intend to that those harmful effects will be minimized.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: A question on the same subject, Mr. Speaker, to the same Minister. Can the Minister advise the House whether the Public Health Division of the Department of Health has been involved or consulted in this process in any way or whether environment and health are still operating in two separate worlds?

MR. COWAN: The member is obviously referring to a situation which existed under his administration.

I can assure him that we have begun, not only begun, but we have continued to develop the type of co-operative mechanisms which are going to be put in place to ensure that those departments are working even more closely together in the future and that is in no way to except his premise and his premise only to this date that there is a lack of co-ordination between the activities between the two departments.

MR. SHERMAN: Very interesting, Mr. Speaker, except that in his answers up to this point, the Minister has not made a single reference to public health or environmental health or the role of that division so I believe the question is justified as is a supplementary question.

Can he advise the House where public health is involved in addressing what health hazards may be arising from that situation.

MR. COWAN: As we are dealing with a number of departments, I believe the proper course of action would be to consult with the Minister who also has some responsibility in that area and I will undertake to do so and report back to the member as shortly as is possible so that I can be assured myself that I'm providing to him the most accurate information possible and I do not want to answer on behalf of another Minister at this point. However, I will undertake those consultations. I'm certain that I will be able to provide a detailed response to the member in the very near future on that particular question.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. GARY FILMON (Tuxedo): Mr. Speaker, to the Minister of Environment, given the fact that in the past the landfilling of animal wastes has lead directly to the production of large amounts of methane gas, what is his department doing with respect to this recommended process that they're going to be following to ensure that or guard against the production of methane gas through the landfilling of several 100 head of dead animal stock in one concentrated location?

MR. COWAN: As I indicated earlier in the question period, we have environmental staff, Environment Management Division staff who will be on site and will be examining the disposal process in order to ensure that the type of problem which has been addressed not only by the previous questioner, but by the members who have addressed other questions in respect to the situation will be taken into consideration. We will have an engineer on site, an engineer who is trained in waste disposal, who is trained in the proper procedures and methods by which we can dispose of this large quantity of dead carcasses and we will be following the process throughout; they will be in contact with myself as Minister responsible and will also be in contact with the other departments who are involved in this and we will undertake those precautionary methods which we feel are necessary to ensure that the type of problem which the member has brought to the attention of the House does not, in fact, exist.

MR. FILMON: Mr. Speaker, in view of the concern, can the Minister assure the House or the people of Brandon that there will not be large quantities of methane gas produced as a result of this decision that he's taking at the moment?

MR. COWAN: What I can assure the people of Brandon and the members of this House is that we will undertake this disposal method in the appropriate manner; that we will put in place those precautionary

measures which we believe are necessary to ensure that we have accomplished the disposal of the wastes of these dead carcasses in the proper way. Those assurances I have given him previously. I will repeat those assurances to him and if he wants more detailed information which is of a technical nature, I will be pleased to provide that to him once I've had an opportunity to consult with my staff and get that detailed technical information, not only from the perspective of those individuals who are intimately involved in the disposal process at the present time, but from the perspective of those individuals who over the years under previous administrations have gained a great deal of expertise and a great deal of knowledge which they are bringing to bear to ensure that the very types of problems which are being addressed in this House are also being addressed at the waste disposal site and are also being addressed as we remove the dead stock from the place where they presently are.

MR. FILMON: The Minister is telling us that he doesn't know whether or not there will be significant production of methane gas and he doesn't know how they are going to safeguard against it. I would appreciate him bringing forth a technical report at some future date that we could perhaps gain some assurance from.

MR. COWAN: Not accepting the premise of the member's questions that we cannot in fact indicate to him that there will be no significant degree of methane gas produced and that we will in fact not have in place the proper procedures to ensure that this disposal is undertaken in the most environmentally sound way, I will be pleased to provide to him a technical report on the entire operation as soon as it becomes available and I would appreciate his comments and his suggestions in that regard, as I know he's had some experience in this area as well. I would appreciate having the opportunity to review his suggestions and criticisms if they may exist at the time he has had an opportunity to read through that technical report.

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

MR. LYON: Mr. Speaker, I have a question for the Minister of Labour.

Is the Government of Manitoba giving any consideration to the type of legislation that was introduced into the British Columbia Legislature recently having regard to a ceiling on wage increases that can be given to the Civil Service?

MR. SPEAKER: The Honourable Minister of Labour.

HON. VIC SCHROEDER (Rossmere): No, Mr. Speaker.

MR. LYON: Mr. Speaker, could the Minister inform the House as to the present status of negotiations with the Manitoba Government Employees Association which negotiations, I understand, have been going on now for some several weeks?

MR. SCHROEDER: Thank you, Mr. Speaker, the

negotiations appear to be about on track in terms of the time of the year that we are at right now. We are in a position where some of the questions which were in issue in the beginning have been resolved and others are in the process of being resolved. We hope that we can get something more definitive within about the next six weeks or so. I don't think there's much more that I could add at this point.

MR. LYON: Mr. Speaker, a further question on that point of negotiations. Is the Minister aware of the fact or can he enlighten the House as to whether or not public sector settlements in Canada have been running ahead of private sector settlements?

MR. SCHROEDER: Well, Mr. Speaker, I don't believe that's clear if you go over the last number of years. The Leader of the Opposition has referred specifically to British Columbia. As he knows it's somewhat easier to bring in that kind of legislation in a province where — just for instance the Deputy Minister of Finance is earning somewhere over \$90,000 a year as compared to, in Manitoba, where Deputy Ministers are earning somewhat less than \$60,000 a year. So, when you compare those numbers, it is easy to talk about legislation that will somehow equalize those people and as he well knows our negotiations and settlement will not result in settlements that will put us anywhere near some of those people who are talking about freezes. Alberta is another example of a province that, because of its rich treasury has been able over the last number of years to take some of the senior civil servants from other provinces and that is something that I'm sure the Leader of the Opposition regrets as much as the people on this side do.

MR. LYON: Well, Mr. Speaker, given the fact that the salaries to which the Minister of Labour makes reference of Deputy Ministers represent excluded civil servants who are not covered by the Manitoba Government Employees Association negotiations. Could the Minister, thereby making his response somewhat of an non sequitur, which we're becoming rather accustomed to, could he advise at this stage whether or not his government is prepared to arrive at settlements in the public sector which outdistance those that are being made in this province today in the private sector because of the economic times that we have in this province at the present time?

MR. SCHROEDER: Well, Mr. Speaker, the Leader of the Opposition, not so long ago, was on this side of the House at which time there was a settlement of — what was it — 14 percent for the Autopac employees just last fall. He recognizes I'm sure that there is some difficulty with respect to trying to keep any numbers. What we are looking at is trends across the country; we're looking at the trends in the private sector; we're looking at the trends in the public sector. I'm sure he's also heard that teachers in the Province of Manitoba, recently a number of teachers' settlements have come in the area of 13 percent; some a little under; some a little over. Those are areas that obviously have to be looked at. We also have to look at some deterioration in terms of employment since last fall; since the MacEachen Budget. So, we are keeping up to date

with the trends. We are trying to make sure that the settlement will be a fair settlement from the perspective of the taxpayers of the province, and we're trying to make sure that the settlement will be a fair settlement with respect to the employees of the people of Manitoba. The Leader of the Opposition as well, I'm sure knows that there have been some anomalies created because of salary increases in the health sector with the nurses, for instance, in the hospitals as compared to the nurses who are in the employ of the provincial government directly etc. They are a number of these areas that we are looking at.

We hope, as I said before, that we can get to a fair settlement and we're trying for getting that settlement within the next six weeks hopefully. That doesn't mean that the settlement will be there in six weeks nor does that mean if it is not there that there's something seriously wrong. It just means that we haven't come to an agreement yet.

MR. LYON: Well, Mr. Speaker, accepting as we certainly do on this side of the House that our fundamental obligation as members of the Legislature is to the taxpayers of Manitoba, is the Minister of Finance able to tell us now when the taxpayers of Manitoba will be able to hear his Budget which will encompass all of these extra expenditures of his government which the taxpayers will have to pay for. When will we hear from him on a Budget date?

MR. SCHROEDER: Soon, Mr. Speaker, soon. Several days ago I was reading the response of the Provincial Treasurer in Ontario, who was being asked a similar question and he indicated that because of the delays with respect to negotiations of the EPF and those types of arrangements, and because of the question as to whether or not Mr. MacEachen will see the light shortly, in terms of bringing in another Budget or a Mini-Budget or an economic statement which may change some of the numbers which we received last November. When we get that picture we will be able to tell in a little better or a little clearer way when the Budget will come down. We feel just as the Leader of the Opposition does, that we would prefer to have that sooner rather than later.

MR. SPEAKER: The Honourable Minister of Education.

HON. MAUREEN HEMPHILL (Logan): Thank you, Mr. Speaker, you always catch me by surprise.

I rise to respond to a question that came from the Honourable Member for Swan River asking about a letter that I had received from the Town of Swan River. I want to tell him that the response to the letter has been prepared. I also want to indicate that I have some regrets in the delay for the amount of time that it took to respond, but the information came from two departments, Municipal Affairs and Finance Board, and that accounted for it.

He didn't directly ask, I am wondering if he would like a response to the concerns raised about the impact of the school tax increase on the mill rate for the Town of Swan River. —(Interjection)— Yes he would.

Not wanting to give an overly long answer to a very

complex question, Mr. Speaker, I want to indicate that there are four factors that affect the large mill rate increase for Swan River and I just want to touch on the four of them.

The first one is the amount of money put in by the Provincial Government, and I think that this is the concern that would be raised by the members opposite. It is only one factor.

The second factor is the budget that is set by the school board themselves because only the school board controls expenditures. I'm going to give some very simple statistics to give you an indication of how those factors affected the mill rate increase.

Swan River got a 12.5 CPI increase as did all others, they got both per pupil transportation and per pupil expenditure increase and an additional supplemental grant of \$154,000 that they would not have received had we not brought in that supplemental program. That reduced their mill rate impact by 4 mills. However, they brought in an expenditure increase, per pupil expenditure increase, in their budget of 19.7 percent, Mr. Speaker, and that is their right and their privilege and their priority that they can determine. We gave them a per pupil increase of 16.5 percent. I think that's a reasonable increase. It combines the new supplemental program, it recognized they were in a difficult position, but it did not meet the budget increase that they brought in — the per pupil budget of 19.7 percent. They're also hit by declining enrolment and this isn't their fault and I guess it isn't our fault, but a 3.6 percent increase in declining enrolment has caused serious problems to their budget.

The two other factors I want to quickly touch on are the disparity in the assessment base and I understand that the district supervisor — there's been some changes made . . .

MR. SPEAKER: Order please. I realize that the Honourable Minister was replying to a question asked in the House in a previous Question Period but where an answer tends to be long or somewhat complex, perhaps it would suit the House better if the reply were given in a different fashion in writing or as a statement by the Minister. In any case we are reaching the end of Oral Question Period.

The Honourable Member for Morris.

MR. CLAYTON MANNES (Morris): Thank you, Mr. Speaker, last week I posed a question to the Minister of Agriculture regarding the Peat Land Farmers Association and their request for speedy consideration of their project under the Agro-Man Program. Can the Minister indicate whether a decision has been made in this regard as yet?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. URUSKI: Mr. Speaker, I told the honourable member that I was having the details of the proposals reviewed. We've advised the association that there will be funding, but the scope, the review of the contract and the proposals are now being undertaken. A decision, I hope, will be made quite soon.

MR. MANNES: I understand there is a \$450,000

available under the Agro-Man Program to support this research. Is that sum still available for peat and soil research and if not, why not?

MR. URUSKI: Mr. Speaker, that's part of the review and the scope of the project. I want to understand what is to be undertaken and the reporting mechanisms to who the group is responsible for this project and aspects of that nature and, of course, implicit in that is the amount of funding that will be on a basis of this proposal. There maybe other proposals there as well.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. BRIAN RANSOM (Turtle Mountain): Mr. Speaker, the Minister of Energy and Mines said that a final agreement on the Western Power Grid should be completed within two years. Would the Honourable Minister advise the House from when he dates the two years.

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

HON. WILSON PARASIUK (Transcona): Mr. Speaker, the discussions that had been taking place between three governments had indicated that it was a general hope on the part of all three parties that a final agreement could be reached within two years. Mr. Speaker, that two-year period was a bit loose in terms of an exact date. It was based on when an interim agreement could be signed if that was one option or whether, in fact, another option of not signing an interim agreement and proceeding to try and draft the complete and final agreement would be the course taken.

What we are doing is trying to sign an interim agreement in principle on principles and then proceed to expedite the negotiation of the final agreement with an outer limit of two years. I use two years because that's the time requirement for the Saskatchewan Government to do its environmental impact assessment under their legislation. They have said that environmental impact assessment could take up to two years, and we are hoping that we could get an interim agreement signed this summer and that that environmental impact assessment would take place. Hopefully, it might even take place sooner than within two years. Hopefully, we could negotiate the final drafting, the final agreement before the end of two years, and I would expect that all parties are moving on that time schedule, but there is no fixed date as such.

MR. RANSOM: Mr. Speaker, can the Minister confirm very briefly that what he said is that the two years for the final agreement will date from the time that an interim agreement is concluded.

MR. PARASIUK: It's the general intention to try and get the final agreement negotiated within a period of two years. It's our hope that we would do so sooner. There is no date fixed in stone as to a final date, but we are certainly trying to expedite it sooner than two

years. People have talked in general terms of two years without specifying an exact date — all three parties, Mr. Speaker.

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

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. ROLAND PENNER (Fort Rouge): Mr. Speaker . . .

NON-POLITICAL STATEMENT

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

MR. GERARD LECUYER (Radisson): I wish to ask leave of the House to make a non-political announcement.

MR. SPEAKER: Does the honourable member have leave? (Agreed)

The Honourable Member for Radisson.

MR. LECUYER: Thank you, Mr. Speaker. As most of the members of the House will have definitely noticed, one of our colleagues has been absent from his seat for the last two or three weeks. I am referring, of course, to our colleague for Concordia who has been in the hospital, has undergone surgery, and is now out of the hospital since last Sunday and is recuperating at home. Although weak, he is in good spirits and hopes to be back in the House, at least for short periods, starting next week. I would like to wish him well on the part of all the members of this House.

MR. SPEAKER: The Honourable Government House Leader.

COMMITTEE CHANGES

MR. PENNER: Mr. Speaker, I would like to announce a change in committee meetings. The committee on Thursday, April 22nd, Economic Development, Channel Area and Moose Loggers, has been moved to Thursday, April 29th in order to accommodate a meeting on that date, namely, Thursday, April 22nd, of Privileges and Elections. That's a very important meeting of that committee dealing with the Ombudsman question. Thursday, April 22nd, 10:00 a.m. in the morning for Privileges and Elections.

Mr. Speaker, would you please call the adjourned debate on the proposed motion of Mr. Uskiw?

ADJOURNED DEBATE — CROW RATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Government Services, standing in the name of the Honourable Member for Roblin-Russell — the Honourable Member for Roblin-Russell.

MR. J. WALLY MCKENZIE (Roblin-Russell): Mr.

Speaker, I beg to indulge the House to have the matter stand.

MR. SPEAKER: The Honourable Government House Leader.

MR. PENNER: I believe it was the intention of the Honourable Member for Roblin-Russell to allow someone to speak in his place.

MR. SPEAKER: The Honourable Member for Gimli.

MR. JOHN M. BUCKLASCHUK (Gimli): Thank you very much, Mr. Speaker. I have looked forward to this opportunity to speak on this resolution that has been on the Order Paper for a number of weeks; an issue that I sincerely believe is one of the most important pieces of business that this House will be dealing with during this particular Session. It's not only a feeling that I have, but I would like to quote a very short quotation from Justice Emmett Hall who indicated in 1978: "The continuance of the Crow rate is as fundamental to the unity of this country as any other concept that we can think of." Not only is it important to the unity of the country, I think it is most important to the economic well-being of the Province of Manitoba.

I must admit that I sit back in my seat trying with great difficulty to ascertain what the position of the Opposition is with respect to the Crow rate. We are told so often that they represent the interests of rural Manitoba and yet we have heard, I believe, only one speaker on this resolution. I must admit for the past 24 hours I have been thinking very seriously about what the Member for Lakeside had to say about the Crow rate, I've thought about it and analysed it and I cannot determine a position. It would seem that the members who claim to represent the interests of rural Manitoba don't have a position, or if they have a position, they are not willing at this time to let the people of Manitoba know what it is.

I should preface my remarks that a day or two ago a comment was made from the Opposition about the backbenchers not really understanding the issues of rural Manitoba and particularly of agriculture. I welcome this opportunity to speak on this issue, not as a farmer but as a person who has spent virtually his whole lifetime in rural Manitoba and continuing to live in rural Manitoba, and fully realizing the potential impact of the removal of the Crow rate on the type of lifestyle that most of us are accustomed to.

When I think about lifestyle, I have to think back to a comment that was made by the Member for Roblin-Russell a few days ago about a business that had gone under in Russell, Manitoba. I am well acquainted with that area having been raised in that area and still visiting that area quite often, well acquainted with who Clement's General Motor dealership was. I can remember being a small boy and I believe we got our first car from Clement's agency. Clement started somewhere in the 1930s in Onanole and developed into Western Manitoba's largest General Motors dealership for quite a number of years. I still remember Frank Clement and that's because when I was on the farm I remember I used to trap a bit and Frank Clement, as a sideline, used to be a fur buyer. I can still remember the gentleman, wealthy as he was, the

large business that he had, being involved in buying pelts from the trappers in the area — a very industrious gentleman, built up a tremendous business, a tremendous agency and I was really saddened to hear from the Honourable Member for Roblin-Russell that this business was no longer in business.

Now how did that happen? Well, I presume that he's no longer in business because people are no longer buying cars. The people are still there in Russell; I'm not aware of any great depopulation in Russell, but I do know that any agency in a rural community has a fairly large trading area and I suspect what is happening is that the net farm income is decreasing, that there is less and less disposable cash and as a result some businesses go under. I believe that one of the primary reasons that there is less disposable cash throughout Manitoba, and particularly in rural Manitoba, is that farmers are facing ever increasing costs of production. One of the costs of production is an absurd interest rate which is hurting many people drastically. So, because there is less disposable cash, the business goes under.

I don't know how large Clement's was two or three weeks ago but I would just assume that they had 20 employees and we think of the employees with an income of, perhaps, 15,000 per annum. You now have \$300,000 that is not circulating in that community. There is a cost to the local businessmen because they will no longer have the benefit of that income in the community. There will be greater pressure on those who remain in the community to pay for taxes that are no longer there. Schools will probably be under greater pressure to increase their mill rate because, while students may not be there, the programs are still there and someone has to pay the cost. There is a severe economic impact on the community of Russell.

I mention the figure of about \$300,000 per annum. Imagine the impact on rural Manitoba's economy if we multiplied that by 50-fold or 100-fold or 200-fold and that's the extent of the impact when one considers what the Tyrchniewicz Report has indicated the potential loss would be to rural Manitoba's economy of around \$60 million. A very very dramatic impact on rural Manitoba's economy.

We hear so much about the Crow. It's not something that's just developed in the last two or three months. We've heard about it for the last number of years. Why is there this drive to get rid of the Crow? Well, we hear that the railways are losing money and somehow or other they have to have money to stay in business to provide the type of services that farmers have been accustomed to. We have CNR, a publicly owned transportation system; CPR, privately owned; the CNR acting as if it were in the private sector.

CPR certainly tries to give us a hard-luck story. I think that it would be worth recalling the history of CPR and what it has obtained in terms of monies from the country to develop to where it is today. I note that the Minister of Transportation recently sent a letter, I presume to all Canadian Wheat Board producers stating the case for the need for increased transportation rates. I'd like to quote some figures from the latest issue of the Co-Operator. I know they happen to come from Ted Strain — whom the members of the Opposition have very little faith in. I have seen very little of statements made by Mr. Strain that aren't correct. He

indicates that Pepin had indicated that CPR had been — well, first of all we hear the stories about how CNR and CPR are losing money. In 1980, Canadian National had after-tax profits of \$192 million. CPR had profits of \$121 million. It's a real hard-luck story. Between '75 and 1980, while total net farm income on the prairies fell 44 percent, C.N. increased its profits by 1,533 percent, CPR increased its profits by 284 percent. One has to shed tears for those two organizations.

In the letter that Mr. Pepin sent to farmers, he indicated that CPR had received grants of \$33 million of land; \$25 million to build the railroad. What Pepin had conveniently ignored was the fact that CPR was given 715 miles of rail line built by the Government of Canada at a cost of nearly \$40 million and he turned this all over to CPR without any charge. According to Statistics Canada CPR has received grants in excess of \$106 million in cash and construction for public sources and nearly 44 million acres of land including mineral rights on those lands. So, Pepin's only out by something like \$81 million and he's out by about 11 million acres. Minor errors I suppose.

One should perhaps take a look at what all these assets that were given to CPR would be worth if we would take a return on those assets and project them till today's. I have some figures, I think they're worthy of note and I should raise them at this point. Just going back a bit. By June 30, 1916, Canadian Pacific had received about \$280 million in identifiable public aid. Now, if we allowed a return of 5.8 percent on that amount, today's value of those benefits is \$10.9 billion. If we took the assets that have been given to C.P. prior to 1916, consider that they would have a return of about 5.8 percent, today's value would be somewhere about \$10.9 billion. In addition, since '67, CPR has received \$770 million in direct subsidies; also owes the people of Canada \$1.2 billion in deferred income tax. That's the total identifiable public aid to C.P. Limited, now stands at approximately \$13 billion. Now, that is about what C.P. is worth.

In other words, all the assets that C.P. Rail, C.P. investments have today can be traced back to the gifts or to the benefits that were provided to them by the Governments of Canada in the early years of our history. They built a nation, they also built an immensely large corporation which interestingly enough, after the split, while we hear so much about C.P. requiring additional funds to maintain and to improve our transportation facilities are busy buying shopping plazas, condominiums, resort hotels, certainly in the United States and probably all over the world.

Well we certainly have to feel very sorry for Canadian Pacific. I think of Canadian Pacific going to the Minister of Transportation and asking for more money, it reminds me so much of that poor little orphan, Oliver Twist approaching Mr. Bumble, I believe, with a little tin cup, and please Sir, may I have more? That poor little orphan of the C.P. Investment Group, Canadian Pacific Railways. But, unlike Oliver Twist, CPR does have many people who are on their side. Certainly, amongst them are civil servants in the Federal Government. Interesting to note from a book by Barry Wilson, *Beyond the Harvest*; I'm sure that some of the members opposite had a chance to look at this. He refers to what happened in that short period of time when Joe Clark was the Prime Minister of Canada.

Within days of the assumption of power by the new Progressive Conservative Government in June of '79, Cabinet Ministers were hearing from their senior bureaucratic advisers that the government should deal with the freight rate question. So, we have Transportation Minister, Dan Mazankowski being lobbied; Agricultural Minister, John Wise; Finance Minister, Sinclair Stevens; Trade and Commerce Minister, Robert de Cotret; all these people are being approached by senior civil servants with the message, you've got to do something about the freight rates; or simply, the Crow must go.

There were not only advisers to these Ministers who were on that same wave length but there were a number of senior Agriculture Canada officials joining in that course arguing that change should be structured to reduce Federal Government payments as the developmental benefits of a more vigorous prairie agricultural economy began to be felt. The author of this book also makes note that the anti-Crow clause is being helped by the stance taken by the Alberta and Manitoba governments. Now, that's rather interesting. We haven't heard too much from this Opposition what their position is with respect to the Crow, but Barry Wilson in his 1981 book, and I don't think he can be found to be in error, indicates that the anti-Crow clause is being helped by the stance taken by the Alberta and Manitoba governments as well. While their officials claim they are not actively campaigning for any particular solution to freight questions, both governments, through their Agriculture and Transportation Ministers, have let it be known that they think change must come and that the railways must receive more money from the marketplace rather than in subsidies from the government. —(Interjection)—

Well, I don't know. Is that the position of the members opposite today? We haven't heard. We've now been in debate on this resolution for a number of days. We've heard only one speaker and I simply could not ascertain any position. —(Interjection)— Well, it seems that our Federal Government are quite acquiescent to or quite prepared to go along with the railways' requests, I mean, why shouldn't they.

There's an old saying, "he who pays the piper calls the tune," and it's on public record that C. P. is a considerable contributor to both the major political parties, has been over the last number of years I believe, something like 200,000 to the Conservative Party in the last two or three years and about 157,000 to the Liberal Party. Well, you know, as I say, "he who pays the piper calls the tune." Well, there are many reasons why the Crow, why the Federal Government should be willing to go along with changes in the Crow.

I think that a lot of farmers have been misled that, you know, if we give the railways what they want, they'll provide us with better service. I would suggest that those farmers that feel that way should perhaps drive 100 miles south of here, talk to some of the farmers in North Dakota and see what better service they have had with much higher freight rates than we're experiencing in Manitoba. Talk to the farmers at Dunseith, just a few miles south of Boissevain and not far from the home of the Member for Turtle Mountain, ask them what they're paying for transportation costs to Minneapolis. I believe it's somewhere, in the neigh-

bourhood, of between 60, 70 cents a bushel. Transportation costs to Seattle are somewhere in the neighbourhood of between \$1.60 and \$1.70 a bushel. Ask if they're getting much better service than they are in Manitoba or on the prairies of Canada. I would suspect that the farmers would tell you they're getting the same type of, or even less service than what we're experiencing here. The same thing applies to Wyoming. I just read some figures last night that from Wyoming to Seattle, it's in the neighbourhood of seven cents a bushel. Our farmers are paying 15 cents, 16 cents, 17 cents a bushel. If they pay three, four times more, there's no reason to expect better service. As a matter of fact, I will make some quotations from the President of CPR which very firmly would lead us to believe that we need not expect any better service.

Interesting that, when Mr. Pepin made his announcement in Winnipeg, he had indicated that Dr. Gilson would be hearing representation from farm leaders of farm organizations, not to discuss whether or not the Crow should go, but to discuss how much the transportation rates should increase. It's a matter of he would have us accept the fact that the rates were going to increase, just a question of how much will they increase by. I don't recall seeing in that fancy little PR package that Mr. Pepin handed out, seeing any guidelines which would lead one to believe that the advisory committee was to come up with various positions for farmers to consider. I thought it was going to be a consultative process where farmers were going to meet with Mr. Gilson and his staff and let him know how they felt. But I notice from the latest Co-Operative, right on the front page, that we have a study paper from the staff of federal Crow negotiator, Dr. Clay Gilson. So now, instead of simply consulting and hearing what the farm leaders have to say, the commission is putting itself in an advocacy position. They are going to develop positions and they are going to have farmers react to them. Well, what kind of position papers are they coming up with?

Well, here's one on variable rate. We've been talking about Crow rate. Now we're on to another topic which has a potential for a very negative impact on rural Manitoba. Variable rates for moving grain. They say they would allow the evolution of a more efficient transportation and handling system. Well, I suppose they're quite correct. That's maybe not such a great statement. Anybody knows that if you have fewer elevators, you can improve the efficiency of the railways in transporting that grain. But there's another cost that probably isn't being addressed. That is the cost of farmers having to haul grain a longer distance, the cost of having to buy equipment to haul that grain and the cost to the province of upgrading and improving, maintaining a road system to accommodate this increased transportation and the loss of towns and villages, certainly. The paper says, railways could offer the grain industry cost incentives. Railways are going to offer cost incentives such as, unit train rates, seasonal rates and weekend loading and unloading discounts. So we are now into the discount business as well. But this is what the commission or members of the staff of the commission are doing, preparing advocacy positions for consideration. Well you turn to page two of this paper, a technical paper assessing

alternative ways of distributing the Federal Government's \$612 million Crow gap subsidy and it goes on to talk about a number of alternative ways of paying Crow gap.

They talk here about, payments could be made to producers on the basis of cultivated acres on grain production or on the movement of statutory grain by rail. I thought that farmers, some time ago, had indicated an unwillingness to go with the procedure of hundreds of thousands of cheques being mailed out to individual producers. Yet, this is what this staff of Dr. Clay Gilson is dealing with. The study on alternative ways of paying Crow gap concludes, increasing the Crow rates will reduce the impediments to growth in the livestock and processing sectors by reducing farm gate prices of Crow grain from what they otherwise would have been.

I find that amazing that they would come to that kind of a conclusion. Are they not aware that there was a Tyrchniewicz Report done, commissioned by the previous administration? I find that simply incomprehensible that the commission would come up with that kind of a conclusion when I believe the assistant to Dr. Clay Gilson was the author, was one of the authors, of this particular study. I don't know how one can change his perspective in a matter of two or three years, 180 degree turn. Well, I suppose, it's whatever's convenient. If that's what the Minister of Transportation in Ottawa wants to hear, that's what we're going to give him and we're hearing it.

I believe there is a real con job being done on the farmers of Manitoba and what really perplexes me is the attitude of the members opposite, these great white knights from rural Manitoba, the saviours of rural Manitoba, we haven't got a position from them and yet we have this interesting page from the Tyrchniewicz Report. I should just take a look and get this in the record because many Manitobans may not be aware of what Tyrchniewicz had projected could be the impact of rural Manitoba. Let's look at the constituency of the Member for Arthur. Southwestern Manitoba, I know that area, I spent a good number of years in that area, it's an area of large efficient farmers.

Here is the Tyrchniewicz Report and they tell us that under conditions of scenario three there is a potential of a loss of something like \$6,000 per farmer. That's a 40 percent decrease in their net income. But we don't hear anything from the Member for Arthur, well, the Member for Swan River, I know there are some very efficient, large farms in that area, let's look at the medium-sized farms. The Tyrchniewicz Report indicates that there is a projected impact of a decrease in net income of around 47.7 percent. For large farmers it is somewhere in the neighbourhood of 30 percent decrease, something like \$5,000 per annum year after year after year.

Well, let's take a look at central Manitoba, that's the area represented by the Member for Portage la Prairie. We're shown here by the Tyrchniewicz Report that the net income of large farmers is expected to decrease by something like 67 percent, pardon me, I made a miscalculation, around 40 percent, there would be a loss around \$5,000 per farmer. And yet these members opposite who represent these rural areas, these great white knights of rural Manitoba, these members who would like us to believe they have

a patent on wisdom on affairs of rural Manitoba, a copyright on intelligence and comprehension, we hear nothing from them, no position.

Well, it's rather interesting because I know there have been a number of meetings held in the Beausejour area in the last month or two, the Federal Member for Provencher, he's publicly stated, he's on line with the Manitoba position, not only once, about a month ago when there were about 600 persons present he indicated his support to the Manitoba position. Two or three nights ago at Beausejour again several hundred people in attendance, —(Interjection)— I believe, I don't know, I wasn't there, I'm told several hundred. Again indicating support for the Manitoba position and furthermore I understand that he has indicated that he has been meeting with his Manitoba counterparts asking them to support the Manitoba resolution. Well, we haven't heard anything either way from the members opposite so it's hard to say what influence he's had.

What about Saskatchewan? Well, I guess they have a problem because Barry Wilson in the Western Producer wrote, a Conservative MP, who asked not to be identified, said Saskatchewan MPs are defending the Crow in an attempt to minimize the damage the Saskatchewan Conservative Party. If we can keep our heads down until the election in Saskatchewan is over things will change and we'll be able to come out more on it. Well, they're going to come out of their closets in about two weeks time. Great stuff.

I think I know what's going on, I think I have an idea why our friends opposite haven't taken a position on this. I think they're caught in a trap because with the Gilson Commission meeting with the leaders it's evident that the majority of farmers are having very little, if any, say as to what is to happen to the Crow rates.

Now, we have the Opposition who identify so clearly with the leaders of the farm organizations in Manitoba and yet we have the masses of the 30,000 farmers who are not being given any voice as to what will happen over the next number of years with respect to the cost of transportation. It must be a very difficult situation to be in, I will indicate again, I will sit back here and listen attentively to hear what our members opposite have to say on this resolution. The no position party. They're sort of waffling, shuffling, it's the Tory waffle shuffle or shuffle waffle, I don't know what it is but it certainly doesn't tell us what their position is. I sympathize with the farmers of rural Manitoba, those that members opposite purportedly represent, they're really caught in a squeeze and the Federal Government knows that they're unorganized, they will not speak with one voice, so get them while they're divided.

The one question I must raise, why is it that the Federal Government is so set on squeezing the money for transportation costs out of farmers, after all they spend probably billions of dollars on airports and seaways and heavens knows what, but when it comes to a few hundred million dollars to support the agricultural industry, well, it's just not there, we've got to make those farmers pay. Well, I don't think that they'll have an easy time of it, I don't think they'll get away with it that easily. Because I don't think farmers are dumb, they're actually quite clever, they can see what's happening. The railways would believe that if

you give them four times the Crow, heaven and earth will be here; there'll be trains moving back and forth and grain will be moving; we'll be making all kinds of sales all around the world; the economy will be booming and the farmers will be ever so happy, but you know CPR isn't satisfied with three or four times the Crow. I'd like to quote to you what the President of CPR had to say just a few months ago. This is from the 1981 November 12th issue of the *Wester Producer*, with an interview with CP Rails President in respect, here's what he had to say:

"CP Rail would not consider a compensatory rate based on the Snavely figure" — that thing was discredited just a few days ago — he "would not consider a compensatory rate on the Snavely figure a large enough settlement to induce the railway to buy its own rolling stock. The government should be or would be expected to continue buying hopper cars unless grain hauling compensation was set even higher than the present estimates of four or five times the Crow."

So let's give the railways what they want, let's make it 5.7 times the Crow, CPR will still not buy the railway cars, they'll still expect the Canadian Wheat Board to buy them, the provincial governments to lease them and to buy them and who will be the better off? If the Crow is broken the farmer is still going to have problems getting freight cars. He will be just paying more for his headaches. Obviously, C.P. Limited wants more than a profit from hauling grain when it can make 17 percent return on equity in other areas. The question that one should raise, is that should taxpayers have to pay CP Limited shareholder equity to this level for hauling grain.

You know, I think the big story, the major issue for the request for increased freight rates has to do with this particular graph. I know members opposite had the opportunity to see it in a slide about a week ago. This particular graph indicates what is expected to happen for bulk exports through the mountains to the west coast because the monies that the railways will derive for increased transportation rates, they will not be spent to any large extent in Manitoba. Most of our grain goes to Thunder Bay. Ninety-five percent of the monies will be spent in the Western Prairie Provinces, mostly in British Columbia and in Alberta. Well, why would they want to spend all kinds of money there? To haul increased volumes of grain to the west coast? Not quite. If one spent some time looking at this particular graph, one will see that over the next ten years there is probably an increase of a matter of 50 percent, 60 percent in the volume of grain that will be transported to the west coast. But, the increase comes in the amount of coal that is going to be carried to the west coast.

Well, the question many farmers raise is why don't the railway companies charge the coal companies more? Pretty obvious. Who is one of the largest owners of coal deposits in Canada? Good old CP through its subsidiary, Fording Coal, it has proven reserves of coke and coal worth something like \$4.2 billion. Now it would be perfectly stupid of themselves to increase their own freight rates for their own product. So, let's get it off the backs of farmers because they're disorganized, they don't have a unified voice and they're easy to get to. Traditionally they've been

putting up with a lot that they shouldn't have. So, let's get at them.

Well, the removal of the Crow rate is a totally unacceptable solution to the problem that we are facing. I think that we would welcome the Opposition to agree with our position. I think at the same time we should be looking at some realistic alternatives because we really haven't been dealing too much with that. — (Interjection)— Let's hear them? Well, I'm not going to be a radical and ask for nationalization of C.P. Investments. Maybe C.P., but not C.P. Investments, heavens no. What's that? Well, maybe we should go all the way then.

But, certainly some thought should be given to the nationalization of the road beds. Perhaps we should consider the transportation system as a public utility. After all, the two railways do have a monopoly in Canada. Very few people seem to realize that the transportation industry insofar as moving of grain is a monopoly industry. I would think there would be nothing wrong with considering it as a matter that should be governed by some public utilities board. We could guarantee them a rate of return through rate regulation but a guaranteed return might impose unconscionable rates certainly. A lot of thought has to be given as to how they determine what their method of arriving at their costs are. The main thing at this time is to clearly let Ottawa understand what our position is and let Ottawa fully comprehend what the feeling of Manitoba and western Canadian farmers is.

I therefore, ask the Opposition to speak out on this resolution to let us know what their position is. Thank you very much.

MR. SPEAKER: If there is no other member wishing to speak to the resolution; The Honourable Member for Thompson.

MR. ASHTON: I move, seconded by the Honourable Member — (Interjection)—

MR. SPEAKER: Order please. Is there any other member wishing to speak to the resolution standing in the name of the Honourable Member for Roblin-Russell.

The Government House Leader.

MR. SCHROEDER: I move, seconded by the Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for River East in the Chair for the Department of Agriculture and the Honourable Member for Radisson in the Chair for the Department of Economic Development and Tourism.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — ECONOMIC DEVELOPMENT AND TOURISM

MR. DEPUTY CHAIRMAN, Gérard Lecuyer (Radis-

son): The meeting will come to order. Item 1.(b)(1) — the Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, the Minister yesterday was asked a question about what was the definition of profit, she gave a definition, and I would like to just follow that questioning a little bit in that the Minister had mentioned that there might be some means of keeping profits in the Province of Manitoba. Has there any direction been given to the department by the executive of the department to come up with a plan that would find a way to keep profits in the province and, if so, would they be thinking of more corporation taxes on profits or something of that nature?

MR. DEPUTY CHAIRMAN: Mrs. Minister.

HON. MURIEL SMITH (Osborne): Mr. Chairperson, the honourable member's question is whether the department has been given any specific instructions to bring about this retention of profits here? In our development of planning, honourable member, we have only got to the point of identifying that as a long-term goal and we're at the stage of exploring methods and we're not nearly ready to appraise the different options open. It's, should I say, a middle to long-term structural change objective that we have and not likely one that will have an immediate action.

MR. JOHNSTON: Thank you, Mr. Chairman, the statements that the Minister made regarding the businesses or industries looking at the Province of Manitoba, and I think I heard it correctly, I haven't seen any Hansard, but there'd be an effort made to have industries locate where the provinces say they'll locate if there is any assistance from the province at all. Is that going to be a policy of the department?

MRS. SMITH: Mr. Chairman, it would be one of the factors that would enter into negotiation. There is no intent to be dictatorial, but there is an intent to recognize that where public money is spent, the public should have some say in terms of achieving the public goals.

MR. JOHNSTON: Mr. Chairman, there is in Manitoba legislation that does not allow towns or municipalities to enter into negotiations with companies from the point of view that — or they're not allowed to offer incentives. That legislation was brought in several years ago. What about the fact that many cities and towns in the Province of Manitoba actively have people working for them to develop their particular area and the competition between them gets quite strong at times. If the town or municipality that has done the best job and shown the company that this is the best place to locate, would the province then interfere if they thought that it should be elsewhere because they were putting in money?

MRS. SMITH: Mr. Chairperson, it would be a factor in negotiation. I think if the case occurred perhaps, as the first part of the honourable member's question, that a company had made a decision in co-operation with a municipality and no provincial money was

asked for then, of course, that would carry on as those two parties worked out. But where public money from the provincial revenues is contributed, we would certainly wish to persuade or ensure that, at least, the option of moving where there is unemployment, other things being equal, there wouldn't be an attempt to negotiate blindly with no recognition of the financial factors that the company had to deal with. But I think instead of just giving money in competition with other provinces, there would be an attempt to spend public monies only where we could achieve public goals. I think otherwise the strategic spending of public money would be better focused in areas where the public does have some control and the private sector could carry on in its own quite effective way.

MR. JOHNSTON: Mr. Chairman, if the government then decides because or persuades, as the Minister puts it, a company to locate as she has mentioned in a specific area and they have decided to be of some assistance, is it the policy of the government then to want equity in the company?

MRS. SMITH: Mr. Chairperson, it would be a consideration, as I said yesterday, that whenever public monies are being spent, the full range of options of the relationship would be looked at all the way from no support to some support without any strings, to some kind of support with a condition, to joint venture, to the possibility of operating that activity as a Crown corporation. We don't wish to prejudge the form of the relationship and it would be worked out in this specific case.

I'd like to just address the previous issue, the concept of playing an active role, if you like, in trying to designate where an industry might locate with possibly more money available if they would choose a preferred area. That is practised already under the RDIA, DREE programs operated by the Federal Government. It's not a foreign concept. I think federally and provincially we recognize that if balanced regional economic development is to occur that there may have to be some intervention in the marketplace forces, because left to themselves, development will tend to concentrate in the large centres or in the more populous provinces.

MR. JOHNSTON: Mr. Chairman, the investigations or the research of the company that usually are presented to DREE or, as I recall it, was certainly taken into consideration from the point of view that the company may have research to show that it would not be profitable to be in a specific area. The DREE grants that we are speaking of or any assistance from the Provincial Government really doesn't matter if it's more because they go somewhere else if there isn't a return on investment in that specific place that is recommended by the government. The fact that the Minister — and I think I wrote it down properly yesterday — said, "Public corporations are better for the province than private corporations." Does that mean that it is the intention of the government to enter into more public corporations as far as at least manufacturing is concerned?

MRS. SMITH: Mr. Chairperson, I don't think I said

that public were in all cases better than private; I think I said we were open to the full range of options in each case. I suspect that in many cases private operations are just as happy to carry on and locate where it makes the greatest economic sense to them where they can maximize their profits and expect or require no public subsidy and that will carry on as usual.

I think the case where negotiations take place is when the private company expects some concession or wants some support from the Provincial Government. It would be in those instances that we would negotiate from a position of what are our priorities and goals and see if we could work out a best case agreement recognizing that we wouldn't want to attract a company that would immediately not make any profit. We wouldn't want to attract a lame duck. So the agreement would have to come somewhere between the maximum profit point that the company was interested in and the desirable goals of the government. Negotiation is just that; you start from your preferred positions and work to some kind of mutual agreement.

MR. JOHNSTON: Mr. Chairman, that answers the question on the policy of the government regarding negotiations with companies as to where they may be or may locate, etc., but the question that public corporations are better for the province, and the Minister has explained her statement and we don't have Hansard at the present time. I was asking if that is a policy of the government. Does that mean that the government is looking towards having more publicly-owned corporations in the manufacturing business in Manitoba?

MRS. SMITH: Mr. Chairperson, in the first instance, public may be better if more of the profit can be retained and recycled through the province and if some control can reside with the public so that we have some greater ability to maintain as strong and structurally a mature economy in Manitoba. That doesn't mean that we envision a heavy public involvement right across the whole spectrum. In the short run our priorities are as stated in the election program to focus on the energy and natural resource field. I don't think there will be a heavy move into the manufacturing sector. While we are using admittedly scarce resources to develop in the energy and primary resource area, we will be putting in place an improved planning capacity in order to have good analytical information available to work out the cost benefit of putting public monies into manufacturing vis-a-vis primary industry. So, I think I can say straightforwardly that we don't see a great increase in public presence in the manufacturing sector in the short run and the mid-term, long-term will depend on the results of a tighter analysis.

MR. JOHNSTON: Well, if there is research being done right now to come up with recommendations regarding a policy for retention of profits, and if it is the policy of the government to look at public corporations so that there can be a profit put back in for the benefit of the people of Manitoba, doesn't that really mean that the government is going to be inhibiting people from coming into the Province of Manitoba or

investing in the Province of Manitoba for two reasons: that they could be in competition with the government, and if they are in competition with the government and they were making a profit, that profit would have some qualifications to have it remain in the province.

The corporations that are interested in investing today anywhere are not really interested in having a situation where they have competition from government and certainly not having their profits retained in the province to assist the government to put it into public investment, which would be working against them. There is no boundaries on money if a company comes into the province and pays their taxes, becomes a good corporate citizen, pays their employees good wages and are good corporate citizens in the municipality that they are in and they make a profit, I think that if there's any attempts to retain those profits in the Province of Manitoba or to tell them or by higher taxes or in any other form that the Minister may have recommended to her, it will be a disincentive for companies to come to this province. The Minister keeps referring to the policy not being presently in place, but I ask the question again or I make the statement again, because of what the Minister has said, that this type of policy is being looked at in the department to try and come up with some sort of system to retain company profits in the province. Am I correct in that analysis?

MRS. SMITH: Mr. Chairperson, I think the honourable member is making the mistake of thinking that because a little of something might be done that we will automatically move and do everything. When we say we want to look at more profits being maintained in the province, it doesn't mean that we are going to be trying to keep all profits here.

I think the top priority field for our concern is the profits from primary resource development. The manufacturing sector has some other problems and opportunities. It's our belief that private sector investment is more sophisticated than it used to be. It used to see itself as in opposition to the government and to public investment. It's our interpretation of the difficulties of the last few years that have been more aggravated in Manitoba than elsewhere, that the policy of cutting back or holding the line on public investment and being willing to coax, try to do whatever you can to coax private investment in, is an inadequate strategy. We would like to have a mixed and balanced strategy whereby we develop a healthy public sector field primarily, as I've said, in the fields of energy and natural resource and that we examine the full range of opportunities in the manufacturing sector, realizing that there's a lot of opportunity for both groups to function.

In terms of whether we will discourage investment from coming in, I think you'll find that just about every province in Canada is starting to look at, not only are the companies which come in starting to look at whether they're getting a share of the public's business, in terms of what they produce and what government procures, but they are expecting provincial governments to require that they in their turn to be good corporate citizens must show a willingness to expand and invest in the local area.

So, I haven't found in my dealings with the private sector a naivete in that regard. I find that they're interested in stability, predictability and a good climate. I think if there is a high level of economic activity in the province, people have money in their pockets and money is circulating and that we develop an economic structure where there is development in the areas where we have some advantage, where we set priority sectors and develop forward and backward linkages. There's plenty to do from both the public and the private side and together they're stronger. I just don't accept that the one-sided reliance on private sector investment and doing anything to coax them in or, well it's perhaps too strong to say curry favour, but in a sense never step on their toes is wise. I think we want to work a mutually advantageous position and I find the private sector very understanding and respecting of that position.

MR. DEPUTY CHAIRMAN: The Member for Tuxedo.

MR. FILMON: Thank you, Mr. Chairman, I was interested in pursuing some comments and remarks that were raised yesterday just at the time of committee rising, whereby the Minister indicated that she was interested in pursuing businesses and allowing them to achieve a fair profit in Manitoba. I believe that the Member for St. Norbert asked her to define what fair profits were and I'm not sure exactly if I can paraphrase her answer, but she said fair profits differed depending on the type of industry and the manner in which they contribute towards the provincial economy and she spoke of differing levels depending on whether or not they were in primary resource development or manufacturing and whether or not they were a Manitoba based company or a Canadian based company or foreign company and so on and so forth. I wonder if the Minister could be a little more definitive about her response to that as to what she considers to be fair profits to businesses or industries who are investing in Manitoba.

MRS. SMITH: Mr. Chairperson, yes, Honourable Member for Tuxedo, the fact is that one needs to look at the amount of investment required by a company if it's a capital intensive operation as most manufacturing activities are, there's a heavy investment and usually a fair risk being taken. The marketing field for manufacturers is competitive and is difficult. It is not confined to this area so that they're much more sensitive to the differing circumstances in other provinces, indeed, in other countries. Consequently, one would need to say a fair return for them was somewhat higher than one might expect from say a retail operation where the capital investment might be more limited, where the competitors were mainly in the same geographical area and where any change in government policy here would affect them all equally. It's those types of factors that, I think, would need to be looked at.

I think we've passed the time when we can say that somehow business can function independently of public purposes and public responsibility. I know the belief has been that if they pay their taxes and employ people and pay fair wages that business is being a good corporate citizen. I would say that those are

necessary factors but not quite sufficient in today's situation and that if Manitoba continues to rely for its future economic development solely on that type of corporate good citizenship we may, in fact, find ourselves possessing only the footloose type of corporate development which can not only — you mentioned the capital could flow out easily, it can flow in and flow out easily. So it can be deceptive to coax those kind of developments here and think then that one has achieved something lasting. They can just as easily — not as easily — and it's not a simple matter to move but in the fast-moving world of today's competitive scene in the manufacturing area, they can leave Manitoba quite quickly too. I guess our strategy is to increase the number of activities over which the people, not the government as a domineering, controlling, arrogant body, but the people of Manitoba as the one million citizens who want jobs, who want some kind of security for the future have some greater degree of control over, is a good strategy.

MR. FILMON: Mr. Chairman, so the Minister is saying that her department, therefore, under her new philosophy is not necessarily just interested in attracting businesses that create jobs, long-term, firm jobs in Manitoba, but they have to satisfy some other social purpose in being here? Is that what she's saying?

MRS. SMITH: Mr. Chairperson, yes, I think we stated in the opening address that we're looking at a closer link between social and economic objectives.

MR. DEPUTY CHAIRMAN: Could I ask the Member for Tuxedo to speak closer to the mike, please?

MR. FILMON: Could the Minister indicate, Mr. Chairman, — she wasn't very specific on fair profits. If we were in a manufacturing business, would she consider 20 percent profits fair profits?

MRS. SMITH: Mr. Chairperson, I think we would have to look at the type of manufacturing, the amount of Capital required, the amount of machinery, high technology, the competitive situation in the marketing field. I don't think a benchmark pulled out of the air like that is adequate. The major energy project developers today are looking at 25 to 30 percent return on their investment. This is very high and it's more than the province would require, if it were looking at the viability of investment in energy. Rapid growth or expansion isn't always the best kind. It may be that we pay too high a price to get development on that side at the expense of other people whose social needs are being left out. We don't trust that the trickle-down benefits from strictly business or economic development will reach the full range of the population without some alternative tools and programs.

MR. FILMON: Mr. Chairman, given the fact that Canada Savings Bonds paid a return on investment of 19-½ percent this year and given the fact that with interest rates in the area that they are, many people can put their money in investments that pay a very substantial rate of return, close to the 20 percent range without creating any jobs, without taking any risks whatsoever or very minimal risks, how would the

Minister expect that her department or in fact the Manitoba economy is going to attract investment in risk situations to create jobs for Manitobans, if there isn't a possibility of getting some return that is in that particular range? Why would anybody risk anything at all if they can just put their money in interest-bearing investments that don't create jobs, that don't assist the growth and development of the Manitoba economy?

MRS. SMITH: Mr. Chairperson, I don't believe that all the people who operate in the economy look only at the rate of return. There are industries, people that like to live in Manitoba; they like some of the quality of life factors that are here. They would be content to put their money to work at a secure longer-term return. We don't think people are all 100 percent motivated by maximizing profit. It may be difficult to attract outside money in unless one acknowledges those factors and I think that's why I emphasized at the beginning a flexible approach; that we wouldn't take 1 percent and lay it on everything. We would look at the specific circumstances of the industry, of the location and of the project. There are nonprofit ways of organizing industry. There are co-operative and profit-sharing methods of organization. The maximizing profit — and a sort of one-model view of economic development is, I submit, an inadequate approach.

MR. FILMON: Yes, Mr. Chairman, I'm not suggesting a particular return on investment that is acceptable. I'm suggesting that's up to the individual who's making that investment, but I'm saying that surely it makes sense that, even if we're not talking about attracting money from outside of the province into the province on an investment basis — and it seems to me that we're going to have to think in those terms — but if the Minister says that she's content to deal with situations of Manitoba investors looking at the potential for investment in Manitoba, I'll speak as a past and present and potential investor in Manitoba and say, why would I be tempted to take any risk whatsoever to create any enterprise that employs Manitobans, that contributes through taxes, through other economic stimuli to the province's goals and needs; why would I take any risk whatsoever if I could take that same money and invest it in interest-bearing certificates and low or nil risk investments, why wouldn't I just keep my money in those things and not do anything whatsoever towards economic development in this province if the Minister's attitude is that I shouldn't be allowed to perhaps get profits that are only in line with what I could get without risk in interest?

MRS. SMITH: Mr. Chairperson, one of the concepts that has arisen around the idea of keeping profits in Manitoba is not that the profit of a company would be limited, but that it would be expected to reinvest some of that in Manitoba.

Another point is that one of the problems of the market system in terms of profit and investment is that there comes a time when the big investors find it more profitable to buy up one another than to invest in actually so-called productive activity and that's when you get a great period of concentration of ownership, not a process that we're very pleased to see.

Another interesting development about which I feel more positively with the sort of economic climate that we currently live in, is that I understand private utilities in the States, which used to be putting a great deal of investment in nuclear generating capacity and expansion of their generating capacity, now find that they can make more profit by making loans to consumers to retrofit their houses and, in fact, conserve energy. It's sort of an interesting turnaround where the investment motivations can flip from achieving one goal to achieving another.

The other point I'd like to make is that my understanding of personal investment philosophies — it makes sense to have a mixed portfolio — some high-risk investments, some middle risk and some low risk, and my reading of many of the people of Manitoba, admittedly they may be the smaller investors, but there may be more of them, could be attracted to a lower risk, lower return type of investment, that not everyone goes for the high return because it usually is accompanied by a fair bit of risk. Balancing out the risks can make sense for a personal investment strategy and I would think it would make good sense for a public investment approach. In terms of the individual investor, I think the investor that wants to make a very rapid profit, a very high profit very quickly, we could question whether they're the best corporate citizens in the province.

MR. FILMON: Mr. Chairman, the Minister has bounced all over the field and I'll address her comments one at a time.

When she talks in terms of the adverse effects of big investors buying up each other as opposed to investing in new enterprises I wasn't addressing large investors, I was addressing the effect of the kinds of statements she's making; the negative effect on attracting small investors to invest money in this province. I'm acknowledging with that that 80 percent of the companies operating in Manitoba fall under the federal definition of small business and 75 percent of the jobs in this province are within that group of companies. But, why would anybody take their money out of any secure interest-bearing investment to go into the risk of setting up, creating an enterprise in Manitoba if the Minister is saying that she's not all that concerned about attracting investment in Manitoba and that she's more concerned with restricting their profits. She's more concerned with all of those kinds of things; the contribution to the social goals of this province, why would anybody do that? That's my point.

The second thing is that she said that these energy companies in the United States have changed their goals from producing and supplying energy to consumers to selling them equipment and retrofitting their operations to conserve energy; that they've changed their goals. The fact of the matter is the goal in both case was for them to get a return on their investment and a profit on the operation of their enterprise. They found a different way to get a profit by still being in the energy field but by doing something perhaps entirely different than what they had been doing in the past, but their goal still was to get a return on investment to justify their being in business.

MRS. SMITH: Mr. Chairperson, I admit that little story did seem to show the remarkable adaptability of the market system and to a certain extent I told it a bit against myself because I realize that interpretation could be put on it. But, it could have gone so easily the other way where the motive to conserve would not be there and we would be carried down the other road. However, that aside, I don't think that's the dominant pattern that we see developing. I think that doing anything and everything you can to attract investment is not the best strategy either. I think what you want is a balanced approach where you say there are public goals and there are private-profit goals and for the most part these can co-exist and be quite comfortable. There can be mutually satisfactory arrangements because there are a lot of opportunities for people with initiative and the entrepreneurial spirit.

But, every once in awhile there are conflicts, and I don't apologize for the fact that our government feels very strongly that where there's a conflict between attracting in an outside investment and meeting the legitimate human needs of the people in Manitoba that we will put the people ahead of that kind of economic gain. But, at the same time we don't rely solely on attracting private investment. We also are willing to look at ways of generating public investment. That's why we would like to see more of the rent of our primary resources retained here in Manitoba. If and when we develop our hydro-electricity and we're going to sell it, we want to ensure that it's at a rate where there's some advantage to the people of Manitoba.

So, with that many-tract approach, we feel that we have a more balanced and flexible system. We found, as I said before that because the big companies particularly are dealing with a range of political groupings across the world that go far beyond the spectrum at both the — if we are going to talk left and right — much more to the left and much more to the right of what you're going to find in Manitoba. These companies are used to developing a sensitivity to the social values and priorities that exist in the recipient country area. If we have resources here and we do have resources, they're not glamorous resources but they're solid; they're diversified. We have those resources. There are opportunities. We're confident that we can get a good integrated and well-diversified economic development here in the province.

MR. FILMON: Among those socially important goals which this government holds high is the opportunity for gainful employment and the opportunity to achieve one's personal satisfaction through the pursuit of a good career. Is that one of them?

MRS. SMITH: Mr. Chairperson, yes.

MR. FILMON: Good. Well, I'm pleased to hear at least that.

May I ask the Minister then in looking at companies that may wish to locate in Manitoba, that may wish to create enterprises that would see the creation of significant numbers of jobs, if it did not involve significant public expenditure in bringing that company here — and I'm talking in terms of giving that company grants or low-interest loans or anything like that

— if none that were part of the factor, that a company just saw a business opportunity here and that business opportunity happened to create jobs and stimulate the economy and create the flow-through of a great deal of money in the Manitoba economy, what other reasons would the Minister have for getting involved in that whole matrix and perhaps in some way influencing that company?

MRS. SMITH: Mr. Chairperson, are you thinking in terms of using taxation or other means because I think I addressed the question before you arrived today, that we see companies which choose to come and locate here and don't require anything special from the public; quite free to carry on in that way, that we saw the right of the public to have some say on location and other factors when they required direct public monies. However, when we get around to the question of taxation and looking at what is the right and responsibility of a corporate citizen in Manitoba, what we would like to do is look at the whole spectrum, that is the environmental costs; the training costs; the infrastructure costs. A company doesn't come and exist in a community or province in some sort of balloon unconnected to what's going on. There's a whole, usually invisible and not overtly costed support system that has been built in. All the transportation, communication systems, the health system, the education system, the roads and so on that are put in by public expense.

So often in the past we've looked at the company's economic role in a province or in an area not really examining those things. Taxes were always thought of as an imposition. As a matter of fact, there's been a lot of what we call tax expenditures, exemptions from paying taxes in the federal tax system which really are direct subsidies to those companies. There hasn't been a systematic approach to what in fact is the support system paid for by the public that does in fact make it possible for that company to function. Even if all that were taken into account, there still could be an argument made that companies do not exist in isolation from the people in the area in which they locate. An argument could still be made that the economy of a country exists to meet the needs of the people and our belief in the role of government is that it's those very issues that it's our responsibility to look at, to measure, and to work out an appropriate relationship with economic enterprises.

But we have an interest in healthy development. I can't see us running around and trying to throw monkey wrenches into potentially viable operations when there is no need. I think we've already demonstrated that kind of prudent, careful approach, not jumping in to bail out Sekine, not moving right in and taking over all the profitable enterprises in Manitoba. We have no intention of doing that, but we do believe that we have gradually to shift the mix of public and private somewhat and our top priority is going to be to look very closely, as I said earlier, at the resource and energy field and in our existing Crown corporate field.

Other opportunities we will weigh very, very carefully and move very cautiously, but we are not opposed to the idea of moving into new Crown corporate or joint venture relationships.

MR. DEPUTY CHAIRMAN: The hour being 4:30 I am interrupting the proceedings for Private Members' Hour. The Committee will reconvene at 8:00 o'clock tonight.

Committee rise

SUPPLY — AGRICULTURE

MR. DEPUTY CHAIRMAN, Phil Eyer (River East): The Committee will come to order. We are discussing Item 7.(d)(l) in the Department of Agriculture, Agricultural Land and Water Development Division, Agricultural Crown Lands: Salaries.

The Member for Arthur.

MR. DOWNEY: Mr. Chairman, the conclusion of the Committee two evenings ago and the subsequent question periods have given me a considerable amount of reason for a considerable amount of concern with the intentions and the directions that this Minister of Agriculture plans to take the agriculture community, supported by the reversal of the policy which was allowing the Crown lands to be sold, the long-term lease properties to be sold to the farm community, the cancellation of the farm loan programs, the statements that the Minister puts on the record that he does not believe that private ownership has anything to do with food production and that we are moving towards a system in the Soviet Union has, I think, reason for the Minister of Agriculture to do quite a bit of soul searching and probably would be a worthwhile exercise for him to take to his caucus and to his Cabinet the very positions that he has put forward. Because they are of a very serious nature, something that is directly opposed to by, I would say, 99 if not 100 percent of the farmers in this province; to have a Minister of Agriculture that is not in tune with the feelings, the aspirations and the desires of the farm community, then I really can't see how, Mr. Chairman, he can work effectively and in a co-ordinated way with the farm community.

Mr. Chairman, it is a serious situation when we have those kinds of things or the policies that are, as I say, directly in opposition to the development of the future of agriculture. One of the reasons given for the cancellation of the sales policy for Crown lands has some relationship as far as the Minister of Agriculture is concerned to the numbers of quarters of lands that were sold or acquired by a farmer. You know, that even gives me more reason to think that there are some ideas or some thoughts behind the Minister of Agriculture, or in his mind, and maybe we will have a little more clarification of those thoughts when we discuss the Manitoba Agricultural Lands Protection Board, what his policies and directions are for who should be involved in agriculture, who shouldn't be, the rights of Canadian citizens and the ownership question. Maybe it will be further disclosed there so that the people of Manitoba can make a judgment or pass judgment on precisely what we do have leading the helm of the agricultural community.

Because when we introduced the sales policy for Crown lands, Mr. Chairman, I think the Minister should take this pretty closely into consideration when they make comments that some particular individual got a chance to buy 21 quarters. Let's, first of

all, lay a little bit of groundwork and put it into perspective. Twenty one quarters in some of the areas which he represents, Mr. Chairman, could be — (Interjection) — well, the Member for Dauphin says 33. It could just be a viable livestock operation, some of the Crown lands that would only carry 5 to 20 head per quarter section. He again scowls at that. — (Interjection) — Mr. Chairman, that's the kind of thing, that's in its current position. The Minister said: "Why would we sell it?" Well, Mr. Chairman, we all know that a lot of the land, there is money being spent, we voted money. We voted money, Mr. Chairman, to improve the land through the research and the development of agriculture. That's what it's all about, Mr. Chairman.

Mr. Chairman, the land didn't immediately become a top production from Day One. Mr. Chairman, a lot of the land that the livestock are produced on has been considered marginal land that improvements can be made on through brushing, scrub clearing. He's got money voted in his Estimates for that very fact, for that very exercise, so don't let him try and direct the debate away from the point that there should be or shouldn't be 21 or 33 quarters. Because if you carefully pursue and look at the policy that was introduced, it was on lands that had been leased prior to 1977, Mr. Chairman, prior to 1977.

It could have been the government of Ed Schreyer that leased those lands, those 21 quarters; it could have been the government of Ed Schreyer that leased those 33 quarters of land. It wasn't the Conservative government, Mr. Chairman, under our administration that gave people those sizes of parcels, so who are they trying to kid? Who are they trying to kid, Mr. Chairman? Let's look at the policy, let's just not bring a bunch of fluff and try and fool the people. It could have been prior to the Schreyer years, under the Walter Weir years or the Duff Roblin years, Mr. Chairman, it could have been leased under those times. Let's not try and say that it was our administration that allocated 21 quarters or 33 quarters which was now sold. It had nothing to do with our government or our allocation. That was done prior to June of 1977 so we didn't allocate that parcel.

Since that time there could have been leases of that nature and larger or the same size. I don't have a hang-up about it, Mr. Chairman, and that leads me to a part of the area that I want to ask the Minister, and that is, if he's maintaining the point system of allocation of the Crown land leases, or the appealing of Crown land leases, if there's a feeling of a judgment matter as far as the department is concerned and there is unhappiness within the farm community. Is he carrying on with that point system? That's No. 1, and No. 2, Mr. Chairman, does off-farm income continue to play a role in whether a farmer is able to lease a parcel of Crown land or whether he or she is not able to? Because I think in times of developing a farm, or the beginning farmer, Mr. Chairman, I certainly think that there should be an opportunity if the farmer, he or she, the husband or wife, have an opportunity to make some off-farm income, that shouldn't penalize them. They shouldn't be penalized, Mr. Chairman, when it comes to leasing of Crown land. That, to me, is a reasonable way to feed your family or to make a living and I think that has to be taken into consideration, that off-farm income should not eliminate you from

leasing Crown land. That's certainly a point that has to be made.

At the same time, and I've had concerns and problems with it under the Manitoba Agricultural Credit Corporation and it may need a change in the Act where, in fact, they may be able to get away either by interpretation or regulation where off-farm income as well could be earned by people who were applying for a Credit Corporation loan. Because a lot of young farmers, a lot of people in rural Manitoba, as the Minister knows, do have some off-farm income to support the beginning years, in fact, the continuing years. It's their choice if they want to have additional income and that's what it's all about is to sustain a viable farm community and if they have other options I think they should be allowed to proceed to use them.

Now, Mr. Chairman, I've asked two specific questions in my comments, and maybe the Minister could proceed to answer them. As well, Mr. Chairman, I would ask the Minister how long he expects the review to take place of the Crown land sales policy. Does he expect it to take one, two, three, four, five months or does he expect it to be possibly cleared up by late spring so that the farm people who are still interested in purchasing some of their long-term leases, that they may be able to make their plans this coming summer and this coming year and proceed to buy it? Or is he just, Mr. Chairman, trying to buy a bit of time to get through the Estimates in the committee and say, well, we're just reviewing it, it's because it's a convenience for me as the Minister? Let's really tell the farm community what kind of a Minister of Agriculture we have. Is he a Minister of Agriculture who has demonstrated so far to this House and to me that he is all lip service as far as helping the farm community, he's all lip service as far as meeting with the Farm Bureau, meeting with the Cattle Producers Association, saying I had full consultation before development of programs and I've had all these things.

Mr. Chairman, he is still persisting that's taken place but if you read what's coming from the other side of the picture, the farm community, the Farm Bureau it's not the truth that the Minister of Agriculture is telling us. He may have met with them but, Mr. Chairman, he's not coming clean and I have reason to believe the people who are in those positions, Mr. Chairman. I have some real serious concerns that what we've heard in the last two days are not in the best interests of Manitoba and my job, Mr. Chairman, as an agricultural critic, as the members of the Legislature on this side of the House have to, Mr. Chairman, take on the responsibilities and point out exactly what we have to the best of our ability. And that's what we're doing, Mr. Chairman, and that I can assure we will continue to do.

The Minister of Agriculture and his Premier and all his colleagues that are on that side of the House in government will have to answer some questions that will have to be answered and answered truthfully. He won't fool the farm community for very long, Mr. Chairman, in fact it would appear from what we're seeing here that there was some nice consolidated processes taking place initially under the presentation that was initially made but when it got right down to the overall development of a program and the input that was needed — for example, like the committee

that was established to proceed and develop the Hog Producers Income Assurance Program, there were actual producers, people in the community that were put in place to develop the overall direction of that program. Mr. Chairman, we haven't seen that with this Minister, and that is something — I'm warning him on the grounds that if he doesn't pay attention that he will have demonstrations, and I'll make this as a prediction, of people who shouldn't have to demonstrate to get the attention of the Minister of Agriculture. Because he, Mr. Chairman, has to tell the truth to farm people. Farm people can't be fooled, Mr. Chairman, and I'll tell you the Minister of Agriculture had better learn that early in his term because it doesn't work, Mr. Chairman.

Well, Mr. Chairman, that's why all these rural members on this side of the House, I guess, because we didn't tell them the truth, is that really why we're here? I'll tell you why they're on the other side of the House and now the government, Mr. Chairman, because it's been demonstrated and proven in this House that they didn't tell the truth. They are elected on a false mandate, they didn't tell, Mr. Chairman, the people of Manitoba, the farmers and everyone else, that they were going to stop the sale of Crown lands. They didn't tell anybody that, Mr. Chairman. That's what concerns me, the same as they didn't tell the people of Manitoba on what their farm and land ownership policies are. They say we're going to bring in legislation to protect the farm community against foreign investors.

Mr. Chairman, I'll take my chances with other Canadians on even footing. I'm not afraid of other Canadians being competed against any farmer in Manitoba and I'm not afraid of the farmer that has 31 or 21 or 33 or 40 quarters of land because today those are the farmers that are having the most extreme difficult times. It's those particular producers, Mr. Chairman, that are having the most difficult times because land price is inflated, Mr. Chairman, and to maintain inflated land prices if you're overbalanced on a land base, if you have too much land and not enough cash flow to service that debt, what happens? You have to go out of business and that is happening, Mr. Chairman. There are a lot of farmers who have over-expanded with the land base who are sizing their operations down. I'm telling you, Mr. Chairman, the government doesn't have to do that. The market system works. It works. You don't have to get in there with your socialist hammers and sickles, you don't have to get in with your hammer and sickles and implement it onto the farm community to correct the problem. You don't need that, you don't need the red star enterprises to buy feedlots, Mr. Chairman, you don't need that. It's working on its own but the problem is, Mr. Chairman, if he would live up to his election promises saying that no farmer would go broke, that nobody would lose their farms, homes or businesses, then that wouldn't happen but, you can't have it both ways. He's trying to have it both ways, he's trying to say we said and we're going to protect everybody. But at the same time he's saying, well, it's now not working, you see. The free market system doesn't work.

Mr. Chairman, I'm very upset and concerned that we are going to see the government that have got the reputation, a Minister that has a reputation at this

point doing what he has done, introduced programs that haven't been fully concurred with by the majority of the farm people, Mr. Chairman, and I will be making some further comments and I would say that if he would answer these two specific questions Crown lands that I would be prepared to move on to the next section. But maybe some of my colleagues have a question or two, but I would like those specific answers.

MR. URUSKI: Thank you, Mr. Chairman, the honourable member raised a number of specific questions and I'll try and answer them but I, as well, want to touch on some of the comments that he made with respect to the credit system as it now operates. If I understood the member correctly he indicated that the market economy is working quite well, don't get involved in it, don't mix yourself into the market economy and everything will work out. Mr. Chairman, obviously he doesn't want any government interference in terms of the financing of the purchasing of land by farmers, subsidies to farmers, Mr. Chairman, who is he talking about? The market economy should not be involved in land transactions, if I understood the member correctly. Why would anyone want to be involved with government and have government interfere in the purchasing of land that they were doing and receive subsidies? To the honourable member that's a dirty word, Mr. Chairman, he is really talking socialism. He's really talking socialism when he talks about government subsidies and government assistance and interference into decisions by people. Well, Mr. Chairman, that argument will go on for many years to come and at least I'm pleased that the honourable member now admits that their decision to utilize the bulk of lending funds through MACC for the purchasing of land has done nothing to assist those he says now that are in trouble; the people who overextended themselves into the purchasing of land and the like who are now in difficulty because there wasn't enough cash. That corporation ran out of money, Mr. Chairman, by December of last year. The bulk of the funds used by the corporation were used for purposes other than debt consolidation, operating capital and the like. They were used for the purchase of land. That was a decision you made. We have made the decision that we will try and assist those in financial difficulty in terms of debt consolidation; operating loans. That's where we're moving and that's where we're differing, Mr. Chairman. At least now, Mr. Chairman — debt consolidation, there was 3.6 added to the program last year. That did about 40 farmers, Mr. Chairman, if that, but the bulk of the money that was used by MACC went for matters other than operating and debt consolidation and assisting people who were in difficulty, Mr. Chairman.

Mr. Chairman, the member's question with respect to the point system in Crown lands, I want to tell him that we do have the point system. The point system was set up during our administration and it is continuing. I understand that there was a change in terms of all farm income not being included in the allocation system. That is presently the case and that is in place.

Mr. Chairman, the member also talked about consultation with farmers and not having farmers involved in the Beef Program. Well, Mr. Chairman, he should

understand. Maybe he received a copy of the brief and I'm sure he should have, probably all members of the Legislature would have received a copy of the Farm Bureau brief that was presented to this Cabinet. He should remember my comments. In fact, I think he reacted to some of them on Brandon radio and to the media here that I had asked, my door was open, farmers were free to come and express their opinions, Mr. Chairman, and as well the Farm Bureau, of whom MCPA is a member — I presume the member knows that and his party should know that — indicating that they support the Cattle Producers Association in their request that your government provide a one-time cash payment type of assistance program to beef producers based on 1981 markets. They also said the Manitoba Farm Bureau has long been an advocate of the desirability of establishing national income stabilization for agriculture commodities with provision that no top loading by provincial treasuries be permitted.

In this light, the Farm Bureau representatives, at a recent annual meeting, unanimously expressed their support, and I quoted that, to the Manitoba Cattle Producers Association in their request that your government provide a one-time cash payment of assistance program to beef producers in Manitoba based on 1981 marketing. The resolution adopted by the Farm Bureau representatives contained a stipulation that any such programs must be designed in such a way that in the long term it would in no way jeopardize efforts to realize the National Beef Income Stabilization Program.

So, Mr. Chairman, the Farm Bureau, if they had additional views and additional suggestions to their member groups, who are the MCPA, certainly could have put their views forward on this very issue, but obviously they chose not to because there was no set group that we went to. In fact, Mr. Chairman, most of the groups came to us in terms — (Interjection) — well, Mr. Chairman, now they want to change that around. Almost all the groups that we consulted with, came to us. We didn't go to them, Mr. Chairman, and the door was always — (Interjection) — Oh, Mr. Chairman, you see when the Tories have no issue they will go after personalities. That is the bottom line of the Tory program. If we can't get you on policy, we're going to get you by either red baiting or by character assassination. That's the Tory policy in terms of criticism of programs. Mr. Chairman, that will do them no good.

You know, I don't say this to all the members but there a few that want to go about, I say go ahead but that will get you nowhere. The people of Manitoba saw through you on that and they will see through you again if that's the way you intend to conduct your affairs in this Legislature. If you can't argue policy, we'll get you in another way. We'll go after people and we'll characterize people and try and create some kind of a bogey man or whatever impression they want to create.

Mr. Chairman, I don't operate that way. I don't intend to. If I have an argument to make, we'll make it on the basis of policy but let them continue their methods that they've used continually.

Mr. Chairman, I want to tell the honourable members that we are, as we've announced, we are putting together a Producer Advisory Committee. There will

be, we hope, on a rough basis, five regional committees of which there will be a number of farmers serving on each committee, where they will have a Chairman, who will be involved in the central committee, who will be advising us in terms of the details of the plan as we announced. That's being put together now. We hope that there will be meetings between producers and those committees handled very shortly, Mr. Chairman. I want the honourable member to know that there are people from his area, who I can assure him will be represented on the provincial committee. —(Interjection)— I don't know, Mr. Chairman, who it will be. We've had many people involved in this. So, Mr. Chairman, I want to assure him that there will be a lot of producer participation in this plan in terms of involvement in drawing up the details. The principles, as I said earlier, we established and they are there and the committee will work around doing the detailed work in support or in the periphery of the principles that we established.

MR. DEPUTY CHAIRMAN: The Member for Morris.

MR. MANNES: Thank you, Mr. Chairman. I'd like to make just a short comment if I can right now because the Minister has made reference to the Tory policy of going after characters. Well, I don't know if that's one of those issues or not, but I think I want to impress upon him and upon this House that when it comes to land and land ownership, it's not a grandstanding issue. It's one that this side takes very very seriously. I think anybody that's been involved in politics and has an understanding of rural life knows how serious of an issue it is. Nobody can make light of it and it's got nothing to do with character assassination.

It's why yesterday when I rose to speak and we on this side and myself specifically found over the last two months four or five reasons to be very, very suspicious and suspect of some of the thinking that's going on over on the other side. I think what this particular party and I think what the residents of rural Manitoba would love to see is some type of definitive statement from the government, from the Minister, from the First Minister, a government statement on the issue of land ownership. I would hope as we move into maybe the final discussion on Estimates that some time towards that this Minister will be prepared to give us that statement. I would hope he would it in two fashions: One, he can do it in a general, philosophical way which he may wish that may be subject to varying interpretations. That's fine, I guess that's everybody's right but, secondly, I hope he'll do something else. He'll undertake to give a commitment to make that statement even more definitive by saying that, in fact, the government of the day, the government of which he is part and which he is Minister, will go on record as stating that they will not own any additional prime agricultural land than they do so own right now.

I know, through MACC and through foreclosure, the government again will be coming owners of land, we know that, as municipalities did in the years of the depression. It came back to them, but they did the responsible thing. After a short period of time, they turned it back again to private citizens and that's the guarantee the Minister and the government can give us here today. If he can say to us, yes, as the land

comes back to us by way of foreclosure, if we're automatically prepared to turn it back over to private people again at a loss if need be, at the going market value, fine. But, if he's not prepared to say that, then he is saying that he's prepared to hold it and he wants to hold it. That's what concerns us. —(Interjection)— And he wants more.

So we know what the acres are that are being held today and if he'll tell us along with his philosophical statement that, in fact, they will not be increased over that number and hopefully decreased, then we'll understand fully well what he means in his philosophical statement as to his party and the government's conception of how the province should be involved in the whole land ownership question. Hopefully, that statement will come later on in these Estimates and I think that if the Minister can be that specific, he can allay an awful lot of fears on this side which are genuine. Again, let me emphasize, they're very genuine, they're real and he'll also be able to do the same for the farm community.

MR. URUSKI: Mr. Chairman, I certainly appreciate the comments of the Honourable Member for Morris and I accept his words. Mr. Chairman, I want to tell the honourable member, as I said the other night, that it is our hope as a government that we will do what we feel and bring about policies and programs to enhance and stabilize and do whatever we can to enhance the way of life that we have known in Manitoba, the family farm, the family-farm concept. Mr. Chairman, the honourable member —(Interjection)— well, Mr. Chairman, now the member talks about that's motherhood. We all say this, Mr. Chairman. The honourable member, when he spoke about land coming back into government and then turning it over, I want to ask him how he, in his mind, defines the Land Lease Program, for example. Mr. Chairman, where there is someone who is retiring and hasn't got a buyer but there is someone who may wish to farm and doesn't have the money. If —(Interjection)— well, Mr. Chairman, if there is a viable unit. Is the member telling us that it should be swallowed up or put into a larger unit that already exists? Is that what he's talking about?

Well, Mr. Chairman, let's go into that discussion. He said that the land should be turned over back to ownership, Mr. Chairman. The fact of the matter is, the program that you attempted to do away with and you did, you indicated that we are no longer interested in a Land Lease Program. The fact of the matter is, Mr. Chairman, that program did the very thing because the option to purchase by people who did not have the funds to come into farming was there and when they chose, when they decided to make that decision to purchase, it was there and the ownership of land and the farm community was allowed to purchase that land. That option was there. There is no longer an option, Mr. Chairman, for people who have no financial means or very limited financial means to get into farming in Manitoba.

Because what have we been doing, Mr. Chairman, if they have the leverage or the ability to borrow money, there is no shortage of capital. The banks are doing it, the credit unions are doing it, the mortgage companies are doing it, the Farm Credit Corporation has always been doing it. So all we did when we stopped

the other policy is we put another lending institution on the market. Didn't we do that? Because that's really basically what we did. So, Mr. Chairman, what we've said is that we could probably in this point in time use our funds in a much more meaningful way to assist people who are farming and who are in difficulty; we would not use those funds directly to allow the funds to be used for the purchase of farmland per se and then end up as the member admits — people get into trouble, people will go under — and we will end up having the land back in public ownership or in private ownership if it's the bank that's made the decision to borrow or whoever. —(Interjection)— No, Mr. Chairman, I'm sure that the member is correct, that the bank —(Interjection)— no one wants that.

But our thrust and our hope is that we can encourage as many as we can through whatever means and I don't want to rule that out, Mr. Chairman, that at this point in time that there will not be a Land Lease Program in terms of allowing people who may have gotten themselves into difficulty and there may be. That may be their only out to continue farming, Mr. Chairman, rather than liquidating them out and forcing them off the farm, there may be an option. So, Mr. Chairman, rather than have that farm unit to be swallowed up by someone bigger or split it up all over the place and lose the farming enterprise in some community which does have an impact on the rest of the community. It does have an impact on the businesses in that community and the like. So I certainly don't want to rule that out but, Mr. Chairman, we all know that in terms of the dollars that we have in capital that you don't go very far today in terms of what you can do.

But, Mr. Chairman, our policies in terms of farming, land ownership and the like, will be to try and be as pragmatic and not as dogmatic as the Conservatives said, that this is the only way that we can go, that we have to create programs and policies with options to be as flexible as we can and not have our heads in the sand, that no way do we want the Government of Manitoba involved in the land purchases. Mr. Chairman, if we can do what we did previously, at least allow another 500 families into farming as we did under the previous program and there are problems with it. I understand that not everyone that goes into farming, no matter whether he buys the land or he leases the land, is going to be a good farmer, Mr. Chairman, because that happens on both sides of the scale —(Interjection)— absolutely, absolutely.

Because when we do come back to the very fundamental point, and the Member for Turtle Mountain yesterday came back to the point that I raised in my remarks, where your people took me out of context. He came back to the point that really what is necessary is good management, good husbandry of the land, that will be the key to how well our farmers operate and how well they stay on the land, Mr. Chairman. He even came back to the point but obviously, Mr. Chairman, the members didn't like the context of my remarks and they wanted to blow them out of proportion; that's certainly fair ball in this arena. But I certainly didn't and don't intend to promote; our promotion has to be the advancement and the safeguarding of the family farm, whether it be through our position on the Crow rate which has very

fundamental implications to the farming community whether it is in terms of farm protection legislation, whether it is in terms of policies to enhance new operators into the land. Those are the areas and policies that we have to develop, Mr. Chairman, not to be tied to some comments that the Leader of the Opposition said that you're tied to the Soviet system.

Mr. Chairman, the point again, and I want to repeat that for the honourable members was that farmland is being concentrated in fewer and fewer hands and the market economy can produce that, it has to produce that. Go south of the border, Mr. Chairman, just look at the American system where it's gone. What type of farming goes on there? I mean if we really want to go that route, Mr. Chairman.

I have to tell the honourable member that we raise turkeys, Mr. Chairman. All he has to do is go over the border into Minnesota and he will see an operation there that will produce, one farm, one operation that will produce more turkeys in one operation than all the producers here in Manitoba, Mr. Chairman. Obviously, very efficient, obviously, because not only do they breed them there, they hatch them there, they raise them there, they process them there and they even have facilities to retail them, cold storage them and do all sorts of things, Mr. Chairman. Is that the way we want agriculture to develop in Manitoba? I say no, Mr. Chairman. We have to diversify it in terms of as many operators as we can and if the honourable member wants a philosophy —(Interjection)— Mr. Chairman, do we allow that system to go and concentrated into fewer and fewer hands. Do we allow that system to go? —(Interjection)—

Well, Mr. Chairman, obviously the numbers are dropping but the fact of the matter is they won't drop as fast when you have the total open market economy when the bottom drops out and everybody is out of production but the few that are able to have the capital, again, the few that have the capital to stay in the business, it is only those who have interests in other areas which they can cross-subsidize one area over another and be able to stay and handle the economy. That's why, Mr. Chairman, in many of the areas — and the American system, we're following it — I don't think we will be able to turn it around completely, we will not be able to stop that trend. I'm not so naive to say that we'll be able to do that but certainly, Mr. Chairman, to the best of our ability, we should try and encourage as many operations rurally so that there is as vibrant a rural population, a rural economy, as we can get, not to have fewer and fewer operations so that has a snowball effect in our communities. Businesses then close and the whole notion that bigness is goodness isn't what I am for, Mr. Chairman.

MR. MANNES: Thank you, Mr. Chairman, well, I have to rise again, I wasn't planning to. Because of some of the comments the Minister made and I guess it has become readily evident that the fact this definitive statement that I was hoping would put our minds to ease on this side won't be forthcoming. But I guess I am going to attempt to philosophize a little bit here, too. The Minister, in talking about a land lease program and the virtuous effort — it is one of virtue to try and help younger people that supposedly do not have capital resources to move into an exciting industry

like farming. Let's make one point right now and before I forget it, at least the industry of farming, grain farming and cattle farming, one can move into some of the marketing or some of the supply system. You can be short in resources and be supported by somebody else or you can have a lot of resources but that's no guarantee of moving in; that is a closed shop.

But to go back to this feeling that we want to help everybody back into the business of producing grain and let's use that as the examples for this discussion. I think the Minister is giving himself a time frame that is too short. You know, ideologically I'd love to see all my children, sons and daughters, aspire to farm but that's not going to happen. That's not the real world, it can't happen, not in a short time frame.

I'm wondering if the Minister has taken the effort to read a lot of the centennial histories that are now coming into existence. I don't know north of Winnipeg or if many of the communities are celebrating their centennials, but as you are well aware, south of Winnipeg, many are. Along with those centennials are being published histories and if one reads through the history of the families as they've been there over years and as you watch, you can gain a tremendous perspective into farming and into rural Manitoba. Particularly if you're not tied into that narrow time frame, not tied into that short period of time when you see the neighbour down the road that now has three sections of land and drives a big car and you say, uh-huh, he's the culprit, because he's the one that wants the next quarter that comes up and will not allow a smaller farmer to bid for it.

If you study the history well — study it by family — you'll see back in the 1920s and '30s in many many instances the families that were on the high monetary plane, the ones that controlled the districts, so to speak, the very well off, after 30 years are no longer there. You also see those families that did not, 30 years back, have the opportunities. You could read in history, they worked for other farmers, they worked for the municipalities. Nothing. The ditch diggers, as we used to call them. Look at them today; they're the ones that are the large farmers, in 30 years. So what time frame do you want to work with, because in five years you can't bring in all the people that aspire to farm. You can't do it. I think it's pretty important, when we're all discussing and philosophizing through this, that we remember well what time frame we want to talk in.

Now the Minister talks about, and the comment made by the Member for Turtle Mountain, about good husbandry and I guess we all want to see that greatest natural resource, land, being maintained well. — (Interjection)— land husbandry, yes, sorry. You may want to comment on that on your own.

As somebody that has rented land, I know if you've rented any land and I know many of us have and many of us still do and many of us will continue to do, and any decision is to be made as far as draining more properly a particular piece of land, or, let's say putting down an alfalfa rotation, to improving the tilth of land, where does it go first? Does it go into that land where there's a three-year lease and which you may not have in four years or does it go into your own land? You know darn right where it goes; it goes into your own. So there's no way anybody can win the argument that

you can give good husbandry to land you don't own. You can, but across the average of the spectre, it isn't given the same good husbandry. It doesn't happen; it just doesn't happen. So when is the land farmed the best? When it's owned, when you know that it will be yours 10 years from now or you know that it will be your son's 20 years from now. The Member for The Pass said he won't rent to me. Well, I'd have a hard time renting land in the Swan River Valley.

I won't move into the area of marketing boards, I'll leave that for this evening, but I think through it all, and hopefully again, the Minister will work on that definitive statement and he'll take some of those comments into effect and he'll give us the statement that we so desperately want to hear on this side.

DEPUTY CHAIRMAN: The Member for Emerson.

MR. ALBERT DRIEDGER (Emerson): On the question that I raised the other night to the Minister regarding Crown lands, could the Minister indicate how many applications have been approved and how many have been rejected for Crown lands?

MR. URUSKI: The statistics that we have are 997 were approved and 367 were rejected and 114 are in process.

MR. DRIEDGER: To the Minister then, on those 367 that have been rejected, is there any way that they can appeal the decision once the Minister's department has ruled out, for whatever reason, the opportunity to buy that? Is there some way they can appeal to a certain body and bring their case forward?

MR. URUSKI: Mr. Chairman, I am advised that decision was made, in terms of the guidelines, made by the Provincial Land Use Committee in consultation with the Crown Lands Classification Committee within the various departments that are involved in analysing the specific parcels of land, for either their wetness, resource base, nearness to wildlife, many of the various areas' criteria that were used for rejections.

MR. DRIEDGER: In other words, there is no appeal system. For example, if a farmer makes an application to purchase agricultural Crown lands, he puts in his application and then the powers that be make a decision on it and the individual never has a chance to come forward and present his case. Possibly, where departmental people raise certain objections against the selling of certain lands, maybe there is a justification why the individual should be able to buy that land. Certainly, our bureaucrats sitting out here very often do not have an understanding, sometimes, of the actual circumstances that are involved and I would strongly urge — well, mind you, the program has been stopped. The program has been stopped at the present time and is being reviewed. I would hope that it would come back again somewhere along the line.

In the meantime though, these 367 people that paid in their monies, their \$50 initially, some of them that are being processed, some of them still have not gotten their \$50 dollars back after they've been rejected and it's been over a year already, in some cases. There

is a weakness in this system at the present time, and I'm not absolving the previous administration on that either, but I'm drawing this to the Minister's attention that I feel there should be a system whereby a farmer can come in after he's made his application, and has been rejected, that he can come and present his case to somebody to maybe appeal it so that our government people can hear his side of the story.

MR. DEPUTY CHAIRMAN: It is now 4:30; time for Private Members' Hour. I am interrupting the proceedings of this Committee and will return at 8:00 o'clock tonight.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. The time being 4:30, Private Members' Hour.

The Honourable Government House Leader.

HON. ROLAND PENNER (Fort Rouge): Mr. Speaker, would you call the resolution moved by the Honourable Member for Roblin-Russell?

RESOLUTION NO. 2 — COMPULSORY METRIC SYSTEM

MR. McKENZIE: I move, seconded by the Honourable Member for Minnedosa:

WHEREAS a compulsory metric system of weights and measures is presently being imposed on the citizens of this province and Canada by the Government of Canada;

AND WHEREAS the mandatory conversion in Canada from imperial weights and measures to the metric system has never been debated in the House of Commons;

AND WHEREAS the Government of Canada is presently outlawing the imperial weights and measures system across Canada;

AND WHEREAS some 52,000 Canadians petitioned the Government of Canada in 1981 and some 127,000 signatures were added in 1982, requesting the government to implement this system over a longer period of time;

AND WHEREAS Canada's major trading partner, the United States of America, has delayed mandatory conversion to the metric system;

AND WHEREAS mandatory imposition of the metric system of weights and measures has been legislated by Order-in-Council by the Government of Canada;

AND WHEREAS the metric system of weights and measures has created, and is continuing to impose, difficult economic and financial pressures on Manitoba's homeowners and families, Manitoba's business community, Manitoba's farm community, Manitoba's tourist industry and others;

THEREFORE BE IT RESOLVED that this Legislative Assembly urge the Government of Canada to delay the implementation of mandatory metric conversion domestically over at least one decade or until the metric system becomes mandatory in the United States of America.

MOTION presented.

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

MR. McKENZIE: Thank you, Mr. Speaker, the reason I put this resolution on the Order Paper was to give this House a chance to debate and discuss the concerns of many many people in this province and across Canada today with the manner in which the metric system is being mandatory, brought into force and the problems and the concerns and the anxiety that it's causing a lot of people, I think deserves the attention of the members of this Assembly.

The other thing that caught my eye was the House in Prince Edward Island took it upon itself to debate this same issue. In fact, I guess it's practically the same resolution although I haven't seen a copy of their resolution but reading some of their speeches it indicates it's quite similar. The House there unanimously supported the resolution and called on the Federal Government to slow down the metric conversion system.

It's interesting, Mr. Speaker, when you go back over the history of metric and find that the conversion to metric system in Canada is not a new concept in our history. In fact, it was brought in by Sir John A. MacDonald and his government in those days of the pioneer history of Canada. The first Metric Bill was put through the House of Commons in 1871. It's interesting to note that the objections of those days that were raised in the debates were by the Liberals of the day. That bill of MacDonald's, Mr. Speaker, allowed weights and measures in either metric or imperial units and that's been used because metric has been used in certain fields in our country since the days of Confederation.

Then, of course, Mr. Speaker, the change that was imposed upon the people of our country came about because a White Paper was tabled in 1970 by the Honourable Jean-Luc Pepin, who at that time was Minister of Industry, Trade and Commerce. He set the stage for the conversion that has been going on for the past decade.

Mr. Speaker, it's rather interesting to see some of the hardships that's been created, financial hardships on the people of our country as a result of metric. Many people today question me and I'm sure question others as to why the government would take this mandatory position when the people of our country are facing the highest energy costs in our history, double-digit inflation, high interest rates, 81-82 cent dollars and here we are ploughing away implementing a metric system which is highly inflationary in my opinion and was never debated in the House of Commons. The articles that I have had access to, some people are of the opinion that the United States is moving ahead at a rapid pace with metric system in their country and that, of course, has been denied. There's articles now that I have had a chance to read that the USA will not be predominately metric for maybe 5, 10, 20 years. In fact, President Reagan and his government of the day, as I understand it, are not prepared at this time to spend the dollars needed to change American attitudes to the metric system such as is being done in this country.

Now, Mr. Speaker, I found an article from the Honourable Sally Oppenheim who was the Member of Par-

liament in Westminster and holds the portfolio as Minister of State and Consumer Affairs. This letter indicates that the Thatcher Government in Britain has abandoned the compulsory element in metrification and is leaving the pace of change to be determined voluntarily. England as I understand, there's three areas there that they have never adopted the metric system: the road signs, the retailing of weighed out and measured goods and then the engineering services have been left on a voluntary basis. As I understand it, the British Government have made the decision that they are going to sit back and wait. They're not going to review their metrification policies until some year 1989 in Brussels as I understand it.

Mr. Speaker, it's being foisted on Canada in a sort of an offensive manner. That may be one of the reasons why people are taking such a negative attitude to the — I suppose I can say, well, the government's insensitive or unreasonable in their approach to it — but the manner in which the metric system has been implemented in this province and across Canada has created a lot of concern and anxiety. Many people are of the opinion that it's crazy to be so obsessed with the metric system when the imperial system has worked so well all through our history in this country and in many ways is more suitable than the metric system. Yet, of course, that is not the main objective. I think if most people want metric, well fine. We have had a system in this country for a hundred years where they could go and sell their goods and services, metric or imperial. That was the statute that was on our records.

But, why force it on the people with a whip in the manner that it's being forced today? As I understand it, those who use or advertise imperial measure in our country today, they risk fines up to, as I understand it, some \$5,000 or two years in jail. That, I don't think is the right way to bring in the metrification system in this country.

I don't think either, Mr. Speaker — it's not the metric that's so offensive but as I said earlier, it's how the government is implementing the system. Citizens must react and they are reacting all across this country of the manner of which it's been handled. Metric has been used in our country as I said for a hundred years. I believe before the 1970s, some 6 percent of the business in Canada was conducted using the metric system. Britain, as I said, it has now slowed down. So has the Americans and I understand Japan has slowed down their use of the metric system especially in their trade with the United States. So, basically the only jurisdiction in the world that I know of today that's practising the metric system is Australia, and from what I can gather, they are slowing it down as much as they can because they find some of the problems that are coming up with the system.

But regardless, Mr. Speaker, it seems to me it's rather absurd and offensive for the Government of Canada today to force metric on an unwilling nation for the sake of business symmetry — I don't know why they wanted to tamper with the system that works — but nevertheless that is the way we have gone. Mr. Speaker, it's interesting to look at the report of the Metric Overview Report which they have presented to the Government of Canada regarding the early utilization of the metric system in the country. I think this board is about some 15 in numbers, so they have been

watching very carefully what has been taking place across the country. It's certainly enlightening to learn from this report that a lot of things that I'm saying today, and that people are saying across this country are here in the report, spelled out and expressed by the board. In fact, they even said in their final statements of the report that they felt they should go back to the House of Commons and have the metrification, a white paper, debated at length by all members of the House in the hope that they could get the people of our country to have a better understanding of what was taking place.

Mr. Speaker, they say here, a matter of voluntary conversion, that this is a matter of great importance and he goes on down here and says, the Metric Overview Board insists that due to the commerce of government, this is only voluntary in the old army sense, you have no choice but to volunteer. It says throughout, the Overview Board has upheld the definition of voluntary, used by the American system, but voluntary, freedom of choice, as if or when conversion is to be carried out, of course, is the problem.

They go on down here and they say with the founding of the American Metric Council, they passed an Act in 1975. They formed a Metric Board and it says they thought that the two countries were marching together at that time. They have learned to their sad disdain that the Americans are not marching with Canada on the metric system. They go on here and say what the metric concession failed to realize was the fact that the American nation was not going metric very fast or at all. They said certainly some companies did go metric and as it happened in the past one General Motors became the leading lobbyist for change because it suited its global intentions. But grassroots America, it says here from the Overview Committee, no, they were not. It says even prominent members of the two USA metric bodies now see a change taking anywhere from 7 to 20 years and that is the reason that I put that section in the resolution, Mr. Speaker.

The other opinion expressed by the Overview Board was the fact that the North American economy is so interlocked with so many pervasive linkages, products, factories, corporations, equipments, communications, information systems, advanced technology, research, development, community regulations, measurement standards and statistics that any basic move, it says here, to use a different measurement system entirely here is almost incomprehensible. These are the words of the Overview Board of the Government of Canada. They go on to say it's a pity something like this was not done in Canada years ago, to study the matter before they implemented the things as taking place as a result of the White Paper.

So, very briefly and very quickly, Mr. Speaker, I welcome the opportunity to bring this resolution to the House. I hope the members will have chance to speak on it and when we have arrived at a consensus, I hope that the resolution will get the support of the House. Thank you.

MR. SPEAKER: The Honourable Member for Gimli.

MR. BUCKLASCHUK: Thank you, Mr. Speaker. I welcome this opportunity to speak on this resolution.

I just have some difficulties with some of the whereases, because it seems to me that when a resolution is proposed, that the whereases should have some basis in fact. In fact, this resolution is somewhat lacking in that respect. I was very glad that the Member for Roblin-Russell had brought to the attention of this House that, in fact, the use of the metric was first addressed by the Conservative Government of Sir John A. MacDonald. That's really been brought to my attention only recently and it's rather interesting that party that first discussed it is now the one that appears to be the most vociferous in opposition to the metric system. I'm aware that editorial writers in rural newspapers are trying to make some issue of this and that many Conservative MPs are running around the country speaking at rallies, mailing pamphlets, contending that metrification is a Liberal plot being shoved down the throats of voters already gagged by bilingualism.

It's perhaps the spirit in which this resolution was introduced is not in keeping with that particular idea, but certainly I can see that members opposite would want to make a big issue of this because they think it's the right political thing to be saying at this time. Perhaps I could just deal with some of these whereases and indicate where there is some disagreement with in fact. So often I hear on radio and I heard today that this thing is being shoved down our throats. You know it's a case of creeping dictatorship; that wasn't used today but I've heard it often enough. Well, I'm rather surprised, the party opposite has become a revisionist party, they're going to revise Canadian history. I'll review some of the history of the metrification processing in Canada.

The other thing that comes up so often and it was referred to today and I've seen it in editorial columns, you've heard it on the radio, this \$5,000 penalty or two years in prison for not going through with the metrification process. Well, that isn't correct, and the opposition very well knows that. Let me just start at the beginning. —(Interjection)— Yes, the penalty of up to \$5,000 or two years in prison that is often referred to does not apply to private citizens nor is it in fact a part of the Metric Conversion Program. That penalty is stipulated in The Weights and Measures Act and that Act has been in effect for more than a century. So it's not something new, that Act was in effect when Joe Clark was the Prime Minister of Canada; it appears that he wasn't concerned about it at that time nor were his Ministers. Nothing was changed, that Act is still today. Metric conversion can hardly be considered to be an instance of creeping dictatorship in Canada.

In fact, the use of metric was first addressed, as the Honourable Member for Roblin-Russell indicated, by Sir John A. MacDonald against the opposition of the Liberal Party. His government passed the bill that permitted weights and measures to be expressed in either metric or imperial units, but since then metric has been used exclusively in such fields as natural sciences and, among the general public, in such cases as electrical measures of watts and amperes.

I have to agree that, certainly, the metric system does provide some difficulties particularly for our elderly folk, but I can assure members opposite that our younger people are not having that much difficulty with it. It has been in our school system, I

imagine, for about 10 years and they don't know what the imperial system is. They are very comfortable with the metric system. In fact, it makes a lot of sense, but it does take some work, I admit.

I'm certainly not going to say that the method in which the system is being brought in is without fault because I know that even when one is shopping, let's say for a detergent, you will find some manufacturers decide to indicate the contents in terms of weight and you may have four kilograms of Tide, but then if you go to another detergent, Sunlight, you may find you have three litres and there's certainly some confusion there. That shouldn't happen. But that doesn't mean that the metric system is all bad.

How did we get the metric system where we are today? The stage was set for the complete conversion to metric in 1970 when the White Paper on metric conversion in Canada was tabled. It wasn't forced down people's throats. It was tabled. The main assertion of the White Paper was that the adoption of the metric system was ultimately inevitable and desirable for Canada. It was supported by the government, as well as the Conservative and NDP members of Parliament. Ten years ago. —(Interjection)— The Conservative Members of Parliament, yes, indeed. Jed Baldwin, I think we know who he is, he was the main Tory spokesman, said there was no question at all that there was a movement in the world to metric and that it would be foolish for Canada not to recognize that. Well, metric conversion was debated again in 1971 when The Weights and Measures Act was amended to provide the legal framework for conversion.

It was debated in 1975 when the motion to approve the Program of Guideline Dates for Metric Conversion was passed and it was debated again when The Weights and Measures Act was amended in 1977 to begin the actual metric conversion process. So we've had debates in 1970, debates in 1975, debates in 1977 and guess who supported the proposals. Well, the Opposition. The New Democratic Party and the Conservative Party both supported government proposals. But today we're going to revise history and say, well, just a minute, hold on, this thing is being forced down our throats. We have, what's the figure, 127,000 signatures, 127,000 out of 24 million. I wonder how consequential that is?

But the position of the Conservative Party was clearly stated in 1975 when Bill Kempling said, we supported the metric conversion when it was introduced by Order-in-Council and we supported the White Paper and that is our position today, we still support it.

During the 1977 debate, the NDP managed to have the conversion of acres to hectares excluded from the bill and when it reached third reading, the bill passed without opposition. So who, in fact, expressed some concern about metric conversion? Well, it's these latter day revisionists, or whatever, trying to make an issue today about something they were party to five or seven years ago.

Comments made about metrification not taking place in other areas at the pace that it is in Canada. That may very well be true, but the metric monitor which we all received with our Information Services a couple of weeks ago had some information on that and, in fact, the movement towards metrification has

not been as slowed down as many of us would have been led to believe.

If you go to Grand Forks, you'll find that their gas stations are all using the metric system. The American bottling system, soft drinks, are going into the metric system. Automotive manufacturers are going into the metric system. So, in fact, it is moving ahead. If the United States doesn't get there until 1995 it doesn't mean we have to pace ourselves along at the same rate.

So I think that there is no reason why we have to look over our shoulder and see what the Americans are doing and develop a me-too attitude. What about the cost? Certainly, it's costing money and here is where perhaps we can be in agreement with the Opposition. For the information of the House, in June of 1980, the NDP and Conservative Members of Parliament joined in a non-confidence motion, prompted by the implementation of metric conversion, both parties agreed that the government had failed to honor the tenets of the White Paper on metric conversion.

Okay, we will agree there are some problems. But we will not go along with the accusations that this thing has been forced down our throats without debate, that —(Interjection)— I'm having difficulty understanding how it creates difficult economic and financial pressures on homeowners and families or on the Manitoba tourist industry. There are some difficulties I have with the WHEREAS's.

So in view of that information, I would like to propose that the resolution be amended to read:

BE IT THEREFORE RESOLVED that this Legislative Assembly urge the Government of Canada to honour the main tenets of the White Paper on metric conversion and that attention be paid to the warnings and cautions contained in the White Paper.

I will move that amendment, seconded by the Member for Thompson.

MR. SPEAKER: Order please. The amendment is not acceptable to the House in the form that it has been given. If the honourable member will provide the amendment in writing, it can be moved and placed before the House.

The honourable member would provide us with sufficient number of copies please. Order please.

I think we have the proposed amendment in the corrected form now. It's moved by the Honourable Member for Gimli and seconded by the Honourable Member for Thompson that all the words in the last paragraph be deleted and replaced with the words: "Be it therefore resolved that this Legislative Assembly urge the Government of Canada to honour the main tenets of the White Paper on Metric Conversion in Canada and that attention be paid to the warnings and cautions contained in the White Paper."

Copies will be made and distributed to interested members.

The Honourable Member for Arthur.

MR. DOWNEY: Mr. Speaker, I rise to speak on this proposed resolution and will speak on the amendment. The initial resolution, I want to make a comment about it as well, but the amendment as it's been proposed by the Member for Gimli, after I've had a little more time to specifically go over it, I will speak a little

more specifically on it as I go through the next few hours of Private Members' Hour.

To speak to the proposed amendment to the resolution, Mr. Speaker, I would first of all like to compliment my colleague, the Member for Roblin-Russell, to bring to the attention of the people of Manitoba what I would consider an extremely important issue as it affects the people at the grassroots level. Mr. Speaker, I think it's an opportunity for each and every one of us as MLA's to discuss and debate with the members of this House, the government, and to in fact hear our own colleagues' thinking on it; particularly, not so much the overall changing as has been mentioned by my colleague from Roblin-Russell, but the whole process of which we've seen take place. It's one of those types of introductions of a change creeping or a slow movement of a process that has really not truly been understood by the people of Canada and particularly by a lot of grassroots people. Not unlike, Mr. Speaker, the way in which the creeping socialism is taking over this country of Canada and the Province of Manitoba and the west.

I think, Mr. Speaker, there is definitely a lack of understanding of the way in which this kind of movement takes place, the grand design of certain people to change the whole basis from which we operate and which we have enjoyed our historical development and the way in which we've been able to protect our freedoms, protect the rights that we've had through the legislative process and the democratic system.

That, Mr. Speaker, I think is really at the base of the whole problem of pushing this kind of thing onto people, because in the amendment that has been proposed, the proposed resolution as it has been amended, if you look at some of the words that are put in here — and I think it's important to point them out — we talk about, in the first part, the compulsory, the word "compulsory," compulsory metric system. How much freedom is there in the word "compulsory?" You know, if somebody that is governing you or controlling you says —(Interjection)— well, of course, the Honourable Member for whatever constituency —(Interjection)— Elmwood would, of course, have to say that he would bite, because you see he's one of those suckers that bit on socialism too and look at what he's had to swallow or become associated with, with that bite he took, you see.

We look at the present Attorney-General and the comments that are made by the Minister of Agriculture, Mr. Speaker, and that's the kind of thing that the people of Canada are asked to bite on, you know, to nibble on or bite on. Once you get a little bit of it, then they'll give you just a little bit more.

The metric resolution, Mr. Speaker, is a prime example of that whole process of changing something on or for the people that may be really isn't quite as salable up front or as we would expect it to be done through the normal process that we've certainly enjoyed in the past. So, the word "compulsory" really flares in the face of, I think, the majority of people, particularly when they don't understand what it is they're being forced to do. Mr. Speaker, that's the word "compulsory"; let's go through to the next one. You know my colleague, the Honourable Member for Roblin-Russell has done a pretty good job of putting this together, because he's putting it together as the

people of Manitoba would have put it together. Of course, the amendment that has been proposed that the Member for Gimli has put on the table before us to look at, is, of course, not supported by me. I cannot support the White Paper and the contents of it. I think it's only fair to let the public know that because of the word "compulsory" that we're now seeing develop.

Let's go to the next part, Mr. Speaker, as it is being proposed. "That the mandatory" — you know, we have got compulsory and now we've got mandatory conversion. To you what does the word mandatory mean? Well, it isn't a lot different than compulsory, but it means to me that it in fact strictly has to be done. That's right, you have to line up and you have to move in line with what somebody else, that heavy hand of government says. —(Interjection)— Yes, the Member for St. Boniface in his usual way of speaking from his seat and not able to stand to speak, says, with the whip, and that's really right, that's really the way it is, it's really mandatory, you're forced, it's shoved on you.

So the Member for Gimli in his resolution or his proposed amendment, I would think, should have paid a little bit more attention to that when he wants to agree with the principles that were put forward in the White Paper on metric conversion. Because we're talking about mandatory.

Let's go to another one, let's move on a little further. The words, outlawing the imperial measure, what are you doing when you're outlawing the imperial measure, you're saying that it's against the law to use it. To me to use the imperial system, they're telling me that I'm now breaking the law if I or any of my constituents want to continue to measure their fields in 640 acre sections or 160 acre parcels, that it is against the law because they're outlawing the imperial measure.

So, in other words, Mr. Speaker, that we are now being forced by the Federal Government to break the law and if we're going to continue to have any form of civilized governing system in this country that it won't work. I don't believe, Mr. Speaker, that we should be forced if we're going to maintain a system that everyone understands and that this country has been laid out on measure that we are forced to break the law. That again is something that really concerns me.

We go down a little further, Mr. Speaker —(Interjection)— that's true enough, my colleague for Turtle Mountain suggests that a lot of government members don't know really how the government is laid out, that there are 640 acres to a section and that it is broken down a little bit different than some of the different areas. Of course, Mr. Speaker, under their system of government, the kind that they prefer, they really wouldn't care if it was 640 acres or it was all in one big block owned by the Provincial Government under the NDP Party, the state farm system, then the measure doesn't really matter. Because you throw it all into one big pot and after that system operates for as long as it has operated in Poland and in Russia, the pot starts to go dry and the people go hungry, then they look at countries like Canada where we've had freedom without having things like metric pushed on us, without having basic changes made to us because we have been able to maintain a freedom of operations, a freedom of governing, to this point, Mr. Speaker, and we will maintain it because the people will not stand for

such things as the imposition of metric as is the proposed amendment by the Member for Gimli.

You know I'm really surprised at the Member for Gimli introducing a change to this resolution because he represents what I would consider a constituency that would be very much opposed to the imposition of metric on they themselves as either farm people, as fishermen, Mr. Speaker, as business people. I would hope the Member for Gimli when he introduced the amendment to this resolution, Mr. Speaker, that he went and talked to some of the businesses when they have faced increased inflation, increased interest rates because he and his party in Ottawa put Joe Clark and his government out and re-introduced Pierre Elliott Trudeau and given us all these problems, the energy costs that they are now facing and on top of that, Mr. Speaker, they now have to spend thousands of dollars to weigh and measure out the commodities that the consumers are having to buy, for the grain producers that have had to buy and pay for through the deliveries of grain, the scales in their elevators, that the cattle producers who are selling cattle have to now pay for through the system of commission trading and the Hog Producers Marketing Board have to change their scales. That doesn't get paid for out of the thin air. That comes out of the consumer, Mr. Speaker, that comes out of the producer, that comes out of the system at an extremely bad time.

And to this point, Mr. Speaker, this is the point that has to be made. Why, why, why, I wish the member who introduced the proposed amendment to the resolution would have told us why. He's saying we support the Federal Government on the conversion to metric which is going to cost the farmers millions and millions of dollars and then he stands up and he says our government is going to oppose the change of the Crow rate because it's going to cost the farmers more money. What kind of hypocrite is he, what kind of hypocrites are they, Mr. Speaker, you see that's what we're faced with. That's the kind of hypocrites we see across the way. At least, Mr. Speaker . . .

MR. SPEAKER: Order please. I believe I heard the honourable member use an unparliamentary phrase, I believe I heard the word hypocrite used, which is clearly not permissible in the House. Would the honourable member like to reconsider his words and take the appropriate action.

MR. DOWNEY: Mr. Speaker, I would apologize for the use of unparliamentary words and I will withdraw those words that I used, I will not use the word which you referred to as being unparliamentary.

But, Mr. Speaker, I will say that they are somewhat inconsistent in their approach to the overall principles of governing or putting forward thoughts and ideas in the best interests of the farm community of Manitoba.

Mr. Speaker, I cannot for the life of me see a member who would introduce a proposed amendment to a resolution that was a tremendous resolution by the Member for Roblin-Russell. I guess, Mr. Speaker, the Member for Gimli stands in this place, and it's quite interesting because he has given two speeches today and I compliment him for it. It's take a lot of extra effort. But, Mr. Speaker, if you really stop

and look what he spoke about today, if you really think through what he's said, he's on one side and he's on the other side with the other. Mr. Speaker, he can't have it both ways and the other part of it is that he doesn't know, he has all the facts and figures on what it is going to cost the farm community to change or to make a change to the statutory rates, he has that all in his hip pocket but he stands here today representing a community of farmers who he's concerned about because their costs are going to go up on transporting of grain, when, in fact, Mr. Speaker, he doesn't have a clue what it's going to cost them to change their scales and their whole system and as the Member for Lakeside the other day did so very capably, in the spring of the year, in the winter of the year was to stand here, Mr. Speaker, and point out the costly the expenses with crops being burned with miscalculations of sprays.

Mr. Speaker, the Member for Lakeside did a very capable job and again the public media picked it up because it is an important issue with everyone. And those are the kinds of costs on society. But no, he's trying to have it both ways. He's trying to stand to be the farmers' friend on the issue of protecting higher freight rates and on the issue of metric he says, I support the change to metric so that farmers can spend \$10,000 or \$15,000 in the next five years per farm to change their scales, the consumer to buy their hotdogs or whatever they buy by the weight, hamburger, tiger meat or whatever over a scale. That, Mr. Speaker, that's the kind of inconsistency we have in the New Democratic Party. There's one or two other points that I'd like to make when we talk about the mandatory and the compulsory and the outlawing and the whole imposition of this kind of a system on the country. You know, it was very convenient, and I should tell a brief story, about how it really hit home to me when we've seen in the past few years the whole changing to metric in our gasoline and our oils in this country.

About two years ago I was proceeding to travel through my past colleague's constituency, the Honourable Member for Rock Lake, who I would have to commend for taking the lead in opposing metric. In fact, he now carries the nickname of Hector, because at the time in which it was being talked about several years ago, and my colleague, the Honourable Member for Roblin-Russell is certainly a part of that old guard of the Conservative Party that were putting the thoughts forward, not unlike what the Member for Gimli and his proposed amendment is trying to tell us, that we as a Conservative group do not represent the people, but, Mr. Chairman, my former colleague, the Member for Rock Lake's nickname was Hector, and of course, as I was travelling through his constituency I had to stop for gasoline at a small town in the community through there. When I pulled up to the gas station there was a nice young lad pulled up in his nice car beside me and he said something when he got out of the car that we really don't think too often about. A few years ago you would pull up to a gas station, which I have heard and seen people do, and he would say, would you fill it up, \$5 or fill it up. You know, in most cases, you'd be full on \$5.00. This young fellow, about two years ago, said, "Fill it up," no, he said, "\$30 or fill it up," and that was about two years ago.

Recently, I've seen, Mr. Speaker, people pull up and put \$35 worth of gasoline in their cars.

The whole point that I'm trying to make is that we haven't paid attention to how much our gasoline and our oils have gone up under the Pierre Elliott Trudeau Government, supported by what a good friend of the Conservative Party in Canada calls the New Democratic Party, and I hope this is parliamentary, Mr. Chairman, because the Honourable John Crosbie, in a speech not too long ago, referred to the New Democratic Party, because they're so closely associated with the Liberal Party, as the red rump of the Liberal Party. That, to me fits pretty well because they supported the Liberal Government to put Pierre Elliott Trudeau back in office to give us this metric system that we're all so upset about, so that they could change the prices of gasoline so that nobody understands. You know, we kind of relate a litre to a gallon. Well, we're now paying for a litre of gas, which is less than a quarter of what a gallon is, and people are totally unable to; I and I'm sure a lot of other people, and maybe I'm slower than most and if you agree that's fine. That's the problem, it's the confusion that's in the country and it came about, not because of the will of the people, it came about again as I've referred, it's compulsory, it's mandatory and the other system is outlawed, Mr. Chairman. A mandatory imposition of a total measuring system in this country has confused Canadians so that the New Democratic Party, the Trudeau Liberals in Ottawa can creep in with their socialism and take away our freedom.

Mr. Chairman, I am not going to support the proposed resolution or the proposed amendment to the resolution. I hope it passes, Mr. Speaker, and that goes into the Gimli papers, and it goes into the Thompson papers so "Landslide" can stand up and be counted, and all the members opposite. I hope that's it really showed that they defeated us and they put this in to, what I would say, destroy a perfectly good example of the way the people of Manitoba, particularly all of Manitobans feel about the imposition, the compulsory imposition of a total way of changing what has been a tradition and something that we've all been able to understand and live by for as many years as this country has operated under the Commonwealth.

Mr. Speaker, it's been a privilege to stand up and I am going to support my colleague's resolution, if we can get it back to that initial position, but I am not supporting the Member for Gimli's proposed amendment, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: After the spellbinding speech coming right from the heart, I think that I sense a willingness to have you call it 5:30, but before we move the adjournment of the House with the understanding that we'll go to Committee tonight, I understand there is a possibility, only a possibility, that the Department of Agriculture will be finished tonight. Health will start tomorrow, if that is the case.

Mr. Speaker, I would move, seconded by the Minister of Agriculture that the House be now adjourned.

MR. SPEAKER: Order please. The time being 5:30,

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when we next reach this item again, the Honourable Minister will have 20 minutes remaining.

The members will return to Committee this evening at 8:00 p.m.

MOTION presented and carried and the House adjourned and stands adjourned until 10 a.m. tomorrow morning (Friday)