



**Second Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**  

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**DEBATES**  
and  
**PROCEEDINGS**

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31-32 Elizabeth II

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*Published under the  
authority of  
The Honourable D. James Walding  
Speaker*



MG-8048

**VOL. XXXI No. 37B - 2:00 p.m., THURSDAY, 31 MARCH, 1983.**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
<b>ADAM, Hon. A.R. (Pete)</b>	Ste. Rose	NDP
<b>ANSTETT, Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, John M.</b>	Gimli	NDP
<b>CARROLL, Q.C., Henry N.</b>	Brandon West	IND
<b>CORRIN, Brian</b>	Ellice	NDP
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	NDP
<b>DOLIN, Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
<b>GOURLAY, D.M. (Doug)</b>	Swan River	PC
<b>GRAHAM, Harry</b>	Virden	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>HYDE, Lloyd</b>	Portage la Prairie	PC
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALINOWSKI, Donald M.</b>	St. Johns	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>McKENZIE, J. Wally</b>	Roblin-Russell	PC
<b>MERCIER, Q.C., G.W.J. (Gerry)</b>	St. Norbert	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte</b>	Gladstone	PC
<b>ORCHARD, Donald</b>	Pembina	PC
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
<b>PARASIUK, Hon. Wilson</b>	Transcona	NDP
<b>PENNER, Q.C., Hon. Roland</b>	Fort Rouge	NDP
<b>PHILLIPS, Myrna A.</b>	Wolseley	NDP
<b>PLOHMAN, John</b>	Dauphin	NDP
<b>RANSOM, A. Brian</b>	Turtle Mountain	PC
<b>SANTOS, Conrad</b>	Burrows	NDP
<b>SCHROEDER, Hon. Vic</b>	Rossmere	NDP
<b>SCOTT, Don</b>	Inkster	NDP
<b>SHERMAN, L.R. (Bud)</b>	Fort Garry	PC
<b>SMITH, Hon. Muriel</b>	Osborne	NDP
<b>STEEN, Warren</b>	River Heights	PC
<b>STORIE, Jerry T.</b>	Flin Flon	NDP
<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>USKIW, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 31 March, 1983.

Time — 2:00 p.m.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY - GOVERNMENT SERVICES

**MR. CHAIRMAN, C. Santos:** Committee come to order. We certainly want to facilitate the proceedings of the Committee, so we will start early. We are now on Item 3.(d)(1).

The Honourable Member for Pembina.

**MR. D. ORCHARD:** The Minister had some information.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, I imagine the Honourable Member for Pembina is referring to some information that was requested this morning, particularly, I guess, with regard to Central Vehicle Branch. Is that what the honourable member was referring to? All of it, I believe, has not arrived and we are attempting to get it all together at this time. I wonder whether the member would care to continue until such time as we are able to provide it. I stated this morning that we would endeavour to have it by 2:00 this afternoon. There are still some parts of it that are not complete and I would like to have all of the information before we provide it to the members.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** That's all right, even if we don't get it today and we happen to finish the Estimates today, the Minister will provide that by letter to us at any rate, I would take it. Also, he might be able to provide by letter to myself on the question of the television sets, etc. Any of the questions that aren't answered before his Estimates are completed, he can reply by letter. That's acceptable practice, it's been done before.

**HON. J. PLOHMAN:** Mr. Chairman, I haven't been able to determine that we would not be able to provide any information in a fairly short period of time except for the use of vehicles by MLAs on government business on behalf of Ministers. That is something that requires going back to every department and would be some time in coming. It would seem to me that that would be appropriate for an Order for Return and if the honourable member, for that piece information, would want to ask for an Order for Return, it seems to me that that would be appropriate. The rest of the information we can gather from within our department and we may even have it very shortly this afternoon.

**MR. CHAIRMAN:** The Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, I find that somewhat passing strange that the Minister has agreed to provide

the information, so I think it would be completely unnecessary to file an Order for Return when the Minister has already agreed to provide the information.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, I just think it would be more appropriate for that part. I did not say that I would provide all of the information, I said I would attempt to get all the information that I could for the honourable members for this afternoon. All I'm saying is that piece of information is particularly time-consuming and if the honourable members want to ask for that kind of information, as they have with the SAs and EAs for uses of government vehicles and so and it involves all of the other departments in going back for a lot of time-consuming work, I think that they should register that in the House for an Order for Return.

**MR. H. GRAHAM:** Well, Mr. Chairman, I find that even stranger because the Minister has agreed, or at least before we rose at lunch hour had agreed to provide the information. We're not in any rush to receive it this afternoon. If it takes him two weeks, three weeks, whatever time it takes him to provide it, I'm quite willing to wait and I would hope that he would provide us with the information.

**HON. J. PLOHMAN:** As I said, Mr. Chairman, we will have as much information available as soon as possible and we will get that to the honourable members.

**MR. H. GRAHAM:** Thank you.

**MR. CHAIRMAN:** 3.(d)(1)—pass; 3.(d)(2) - the Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, I believe it was about a year ago in this particular department, there was some controversy regarding the activities of a certain member of the Civil Service who worked in this department, who was subsequently reassigned to a different position, I believe, pending the outcome of a court case. Can the Minister indicate whether that court case has proceeded and, if so, what the results were?

**HON. J. PLOHMAN:** Mr. Chairman, I understand that the court proceedings have been held and a decision will be handed down in about mid-April on that.

**MR. H. GRAHAM:** At the present that member of the Civil Service is still working for the Department of Government Services, still working in the Supply and Services Branch. Is that correct?

**HON. J. PLOHMAN:** Yes, the individual has been reassigned to other duties within the branch.

**MR. H. GRAHAM:** That is all I wanted to ask on that. Seeing as how it's before the courts it's highly improper for us to deal with any aspects of that at this time.

**HON. J. PLOHMAN:** Agreed, Mr. Chairman.

**MR. CHAIRMAN:** 3.(d)(2) - the Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, dealing with the Purchasing Bureau of the government, for quite some time I think there are members on this side of the House, and probably members on the other side of the House, who obviously at some time or another have wanted to ask some questions about the purchasing policy of the government. Would the Minister be kind enough to provide us with some detail of how this government goes about the process of purchasing goods and services for the use of all of the Government of Manitoba? I think it would be beneficial to all of us if we could understand exactly how the Purchasing Bureau works. Could the Minister give us a short resume of how that works?

**HON. J. PLOHMAN:** Mr. Chairman, when requests for materials and goods and services come from other departments they go to the Purchasing Branch of the Department of Government Services, which assists in putting together tenders for the goods that are requested from the individual departments. These are compiled in conjunction with the departmental personnel and the Purchasing Branch people and these are then sent out for tender, under normal conditions, over a certain amount. There are various details that can be given as to when tendering is done and when it is not done in terms of the amounts. I can get those figures. I believe everything is tendered - under \$25,000, the figures may be obtained by soliciting figures or bids from individual suppliers by phone or by letter. Above that, it is done by the regular tendering process, where this is sent out - depending where the goods are required - tenders are sent out to suppliers and advertised as well, so that they're aware that certain goods and services are required. They can then put a bid on for those services. These are, after a certain time, evaluated in conjunction with the department that requires those services or goods. Usually, it's been a longstanding practice, the lowest bid is accepted.

We are certainly looking at this time, and we have been for some time, evaluating tenders on the basis of the lowest tender. However, under certain circumstances, other than the lowest tender may be accepted. Primarily when an out-of-province bid is marginally lower than an in-province bid, and at that time, on occasion, the bid may be awarded to the in-province bid.

That is some general information. If the honourable member would like to get into more specific details, we can follow that up.

**MR. H. GRAHAM:** Thank you, Mr. Chairman. For the time being, I would like to confine myself to the activities of the Purchasing Department. In the under \$25,000, where it is not necessary for, according to our regulations or your general directions that you have outlined, where the province invites bids without public tender, could the Minister indicate to us who receives the - shall we call it - the preferential phone call and the opportunity to place a bid, and who is that does not receive it? Are there any guidelines in that respect?

**HON. J. PLOHMAN:** Yes, Mr. Chairman, I should advise that this is incorrectly stated that phones were used for this purpose as well. This is not used. They are presented; the quotations are received. What happens is that the information is sent out to suppliers who are registered on our lists, who have indicated an interest previously or have successfully bid in the past, and they are sent copies of the requirements and then they can submit a bid, a quotation.

**MR. H. GRAHAM:** How does a person become registered then to be eligible to receive or to be invited to bid on these smaller items?

**HON. J. PLOHMAN:** Yes, Mr. Chairman, any supplier can indicate that he is interested in receiving information. We have had requests from individual MLAs from time to time and other people who have indicated to me that they have a constituent who is interested in bidding on certain kinds of commodities that are supplied by the government, and then I refer that to the department for inclusion on a list of suppliers who would receive information.

**MR. H. GRAHAM:** I would ask the Minister if any consideration has been given to the use of the Trade Journal and the government automatically sending out invitations to all those who are registered in that particular line in the Trade Journal in Manitoba. Has the government ever attempted to do anything of that nature?

**HON. J. PLOHMAN:** Yes, Mr. Chairman, we do certainly try to use every means at our disposal to provide the information. As a matter of fact, I feel that we can improve it. It is certainly absolutely necessary that as much information gets out to suppliers, particularly in the rural areas, where they may not necessarily be aware of all of the opportunities that might be present for government supplying and we use various methods. I am not certain that the Trade Journal is used for that, but I am advised that we do attempt to get information out to any suppliers who have indicated any interest at all and ask them sometimes whether they are interested in bidding in future contracts, if they are going to show any interest. They'll indicate that they have no future interest or that they do have interest.

I would like to see us maintain a comprehensive and up-to-date list of all suppliers so that they would be notified in a particular area, particularly for localized contracts. If there is a particular supply that's needed in one community or one area of the province, then I would like to see that all suppliers in that area are notified that is going to take place and are sent out information so that they could bid on it.

We also get information from Economic Development on new businesses and so on that are developing and may have the capacity to supply us with certain goods or services.

**MR. H. GRAHAM:** Mr. Chairman, the Minister indicated earlier that from time to time he does get information from MLAs who request specific people to be placed on that list. I would suggest that leaves quite an onerous burden on the MLA to provide them with the list of all

the people that are interested in bidding on government contracts. I find that is something that I really wouldn't want to see happen because an MLA could be quite conscientious in his work and still overlook in his constituency someone who would be interested in bidding in a particular field. So I would hope that the Minister doesn't rely too much on that particular field to provide him with a list of suppliers.

**HON. J. PLOHMAN:** Mr. Chairman, I gave that as an example, that is, where we add to the list. When they are not on the list and a particular MLA has requested - and I use that as an example only - of course that is not the only source, it is not even close to the only source of making a list and I'm not suggesting it is the job of the MLA to do that. It's an example of what I said, where we respond to requests from individual MLAs to make sure that an individual supplier in their constituency is listed if they are not listed already.

The list has been built up over the years and it is constantly being added to and deletions made when businesses are no longer in business or no longer supplying a particular item, and so on. This has been built up over a number of years and I am advised that it is quite a comprehensive list. I am certain that it is not fully comprehensive at all times so there is room, as I said, for improvement to make sure that all possible bidders are made aware. But I understand that it is a very comprehensive list that's been built up over the years.

**MR. H. GRAHAM:** Well, Mr. Chairman, I want to assure the Minister that I did not raise this question without a very legitimate reason. I have had suppliers of various services that government requires from time to time from my area, ask me about a job, why they weren't invited to bid. They find out after the work has commenced because it has never been tendered that, yes, the work has commenced and somebody, maybe from 200 miles away, is doing the work when there is a person equally qualified right in that very area who probably would welcome the opportunity, and I give the Minister an example.

It was several years ago in the Municipality of Shoal Lake where the Town of Shoal Lake had requested of the Water Services Board that there be an expansion to their source of water for the town, they were desperately short on water. The Water Services Board decided that they would do some testing for water and there was a drilling rig brought in from southeastern Manitoba to do the testing - not the development of the well - but just to do the testing and I presume that was done under this thing, where there was no tenders let or anything. At the same time there was a person in the Shoal Lake area who was an expert in finding water and testing for water, who had drilled thousands of wells in that area over the last 40 years and his general knowledge of the area and his ability to find water were infinitely superior to that of the man that was brought in. He didn't know anything about it, had no opportunity to bid on it and the result was that the cost to the Town of Shoal Lake was a great deal greater because the Water Services Board naturally turns over the costs of their surveys to the town. They just provide the service and charge it back to the town, and it cost

the town considerably more than most people thought was necessary, because if they had used the man that was in the area he could have found them what they were looking for at a much cheaper cost. It would have been a saving to the province and a saving to the community as well. I list that as an example, so that the Minister who provides these services should alert whatever departments are involved that probably the best source of supply, the source of knowledge and the cheapest job that they can get is probably right in the local area.

**HON. J. PLOHMAN:** Yes, Mr. Chairman, I certainly agree that there has to be more work done on local sourcing, and certainly we're doing that in the Purchasing Branch which deals primarily with goods. The example that the honourable member gave was dealing with services. The Water Services Board would have let that contract or would have engaged the contractor themselves. It certainly wouldn't have been done through our Purchasing Branch.

However, I understand the analogy that is being made by the honourable member, and I agree that we have to continue to put greater emphasis on local sourcing of suppliers and are committed to doing that. The department is certainly taking a greater interest in that area already and we are certainly, as a government, committed to that kind of action as well.

**MR. H. GRAHAM:** On another matter dealing with the same general field, and this is in the small contract for purchase, what criteria does the department use for drawing up their specifications? In particular, is there any preference given for Canadian-made as opposed to foreign-made goods, and what are the criterion that are used for drawing up the specifications in any of these tenders?

**HON. J. PLOHMAN:** Mr. Chairman, the department attempts to provide performance specifications as opposed to physical descriptions and brand names of goods; so, therefore, when any reference made to performance specifications is made on the basis of provincially produced or locally produced goods, specifications referred to are from catalogues that are of provincially produced goods as opposed to other provinces or out of the country. So by moving towards this, we feel that it gives greater advantage for the local suppliers to meet and identify with those kinds of products because we're not talking about something that is foreign-produced or out-of-province, some brand name that is commonly referred to. We attempt to refer to, as I said, performance specifications that relate to the provincially produced goods.

**MR. H. GRAHAM:** Mr. Chairman, I would like, at this time, to refer the Honourable Minister to some correspondence that I have received from last year. In essence, it was a letter from the manager of Quest Metal Products Ltd. of Winnipeg and it was addressed to the Honourable Al Mackling, Minister of Natural Resources, dealing with the Gull Harbour Resort Hotel and the kitchen facility addition. It's dealing in particular with ventilator and fire extinguishing systems where the specifications that were listed in the tender form, I

presume, were American Seko (phonetic). When the request, which was a Manitoba firm, made a clean air ventilator which was approximately \$2,800 cheaper than the American one, and yet their bid was not accepted because it didn't comply with a specification which was American Seko, so I would ask the Minister if he has followed up that letter which was addressed to the Honourable Al Mackling and also to the Honourable Muriel Smith, Minister of Tourism, whether any of that correspondence has come to his attention and if so, what changes have been made in their tendering processes to alleviate some indiscrepancies there?

**HON. A. MACKLING:** The Minister can answer the specific question that the Member for Virden raises about tendering practices, but I think the member should confirm that the correspondence on this with the Department of Natural Resources confirms, that at the request I think of some of the - and maybe it was that particular tenderer - the specifications were changed to accommodate Canadian equipment but notwithstanding the change, the successful bidder was someone other than the person who complained about the specifications provided for American equipment.

The matter was dealt with fully and if the honourable member wants all of the detail in respect to that, that of course can be dealt with under the Estimates of the Department of Natural Resources. I thought I'd put it on the record that it is only part of the picture that the honourable member is presenting. So far as a specific about tendering practices, I think that's a good question and the Minister can deal with it.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Yes. I think this example that is pointed out by the honourable member is a good example of what we're trying to eliminate and avoid in the future. There certainly has been probably numerous cases in the past where this has in fact taken place. Perhaps it used to be that it was more the rule than the exception, that we were not specifying clearly enough that performing specifications that could be met by local manufacturers. Of course, we are trying to eliminate that as much as possible and wherever we find cases like this we would revise the specifications and make a conscious effort even before they occur of course to eliminate this kind of practice; but wherever it does occur, to revise specifications so that it doesn't happen in the future, and I think the honourable member has pointed out one of the problems that we are addressing.

**MR. H. GRAHAM:** Mr. Chairman, I would like to again qualify. I was not asking for the particulars in the particular deal. The concern I had was in the actual specifications that occurred when the tenders were called for, and when we are trying to promote Manitoba-produced goods to find that our own government, our own purchasing department is specifying American-made goods as the specs that are necessary to qualify for the tender, that is the concern that I have and that is the reason why I raised the issue.

**HON. J. PLOHMAN:** Mr. Chairman, I think it's quite evident that was what was coming through when the

honourable member raised the issue and I think it can be said clearly that we agree we are trying to eliminate that kind of a problem that obviously has existed in our purchasing practices in this province through numerous governments.

We are particularly trying to make an effort. We have singled this out as an area that we want to improve on so that we will be indeed able to purchase locally manufactured goods as a priority over out-of-province goods.

**MR. CHAIRMAN:** The Minister of Natural Resources.

**HON. A. MACKLING:** Mr. Chairman, I just want to go on record as indicating that in principle there is no question that I agree - and I think everyone in government agrees - that we want to ensure that in our tendering practices we give the fullest opportunity for Manitoba manufacturers, Manitoba suppliers to provide the goods.

But in the case that the Honourable Member for Virden refers to, it wasn't that the Department of Government Services put this work out for tender as I recall. This was a Crown corporation that operates the Hecla Resort, Venture Tours Ltd.- I believe that's the formal corporate name, I stand to be corrected on the formality of the name - and that board engaged a consultant and where I had more problem than in respect to the type of equipment, was that the consultant was the person whose firm then got the contract.

You will recall there was some valid concern on the part of some about how that had come about and I personally didn't like the appearance of that. We went into it and it seemed to be fair enough. However the concern was, that the consultant had provided for, in the specifications, American-type equipment when it really wasn't necessary that it be American equipment. There was Canadian manufactured equipment available equivalent to that type of equipment. That was corrected but it wasn't the Department of Government Services that had been involved in the drafting of the specifications.

But nevertheless the department I'm sure under the Minister, like all of us, are concerned to make sure that the departments and any Crown corporations bear in mind the desire and the will of this government to give the fullest opportunity for local manufacturers and suppliers to supply on contracts for which government has any direct or indirect responsibility.

**HON. J. PLOHMAN:** Just to add to that, I just want to mention that we hope that through Systems Development and computerization of our purchasing branch that we will be able to follow up on these kinds of problems in more detail over a period of time and that we will be able to detect commodities that we are consistently purchasing out of Manitoba and that the various amounts of commodities that we're purchasing from various locations and so on, so that we have an accurate background of the kinds of commodities that we are purchasing through government and where they're coming from. That's one of the reasons why there's an increase in Other Expenditures under this particular appropriation, because we are developing a

system for purchasing in the government. Following the implementation of it, we will be able to keep a better track of where the purchasing is taking place and amounts and so on.

As well, we are also hoping that we will be able to have Crown corporations follow this kind of a method as well, so they too will be making specific efforts to cut down on purchases and on writing specifications that make it very difficult for local contractors and suppliers to supply the goods in Manitoba. So it will apply over a period of time to Crown corporations and agencies as well and not just to government departments.

**MR. CHAIRMAN:** Is it the wish of the committee to pass 3.(d)(2)?

The Member for Virten.

**MR. H. GRAHAM:** No, Mr. Chairman, I just raised one issue. I don't think it's the only one and it's just a very recent vintage. I believe this practice is still carrying on and I would like to refer the Honourable Minister to a request that was made of him, I believe, by the Honourable Member for River East and his reply to the Honourable Member for River East of February 18th of this past year, "This is in response to complaints you have received from Mr. Tendies, Advance Avionics Aircraft Limited some months ago regarding two tenders placed through the Purchasing Bureau of this department.

"I understand Mr. Tendies indicated he had not received the response to his letters requesting information on Tender 15-717 and Tender 12-1515. I am advised Mr. Dennis De Brincat of my staff spoke to Mr. Tendies on two occasions - October 20th and November 17th - and asked to meet with him to answer questions concerning the tenders. Mr. Tendies did not respond.

"With regard to the complaints, I can provide the following information. Tender 15-717 awarded to King Radio Corporation of Kansas, U.S.A. on the basis of lowest bid of \$7,285 Canadian, including duty, U.S. exchange, brokerage and shipping to destination. Advance Avionics' tendered price was \$8,117.75 Canadian, plus 5 percent revenue tax, and the bid did not include the specified microphone or power supply. The estimated cost of the two items is \$735.00."

Again I refer to the specified microphone and I would ask the Minister if those specifications again were by name brand or by engineering standards?

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, I would not be able to say at this particular point whether they were by name brand or whether they were by performance or engineering specifications, as the honourable member said. I would hope that they would be listed as performance specifications and that any brand that met those particular specifications would then qualify for the bid, as meeting the qualifications of the tender.

However, in that particular instance I can't, at this particular time, follow-up in detail as to whether the tender did or did not, and if it did not, why it did not. But I, certainly consistent with what I said earlier, would

like to see that performance specifications are what we are including in our tender forms and not brand names.

**MR. H. GRAHAM:** The Minister went on with his letter and he said, "It should be noted the foregoing tender was placed on behalf of the Manitoba Government Air Division." He said, "The Air Division is recognized as a dealer."

Now I understood the Government Air Services to be primarily concerned with providing a service for the government, and here we find that they are, in fact, in the business of selling radios. They are a dealer. Can the Minister clarify that statement?

**HON. J. PLOHMAN:** Yes, I understand they're a dealer for that particular commodity because the manufacturer did not have a dealer for the requirements of their communication equipment here in Manitoba. The Air Division, of course, is under the Department of Transportation.

**MR. H. GRAHAM:** Mr. Chairman, again this raises another point. The Minister stated that they are a dealer for a particular product and we have just gone through the other part of it earlier, where we are more concerned with specifications, rather than particular products.

We now find an arm of government is a dealer for particular products and, as such, the government is purchasing particular products, disregarding the engineering specifications and the general specifications that should be applied, rather than naming of products.

**HON. J. PLOHMAN:** Mr. Chairman, that is the product that was specified by the client department, the Department of Highways and Transportation, and that is, of course, a problem that has existed, as I mentioned earlier, has existed for some time. It can occur from time to time that client departments are specifying certain things and certain brand names, perhaps even sometimes, because that is what they have been using to meet their needs. We have to work, I would think, to get away from that and in this particular case, they were specifying a particular kind of microphone, I believe, and as I said that was what was asked for by the client department.

I think after we have been able to implement our policy more fully, provide better communication to all departments of what our priorities are, what we are attempting to do in purchasing, that we will eliminate to a greater degree, as time goes on, these kinds of incidents. But certainly, I am not going to be defensive at this time or say that there are not situations where things are happening that are not as desirable as we would like them to be and this may be one good example where that has occurred.

**MR. H. GRAHAM:** Well, Mr. Chairman, just let's go back and remember. This is a letter written by this Minister, who is in charge of the Government Purchasing Department and he is the one that has written the letter. I haven't written the letter, it's his own writing and he goes on further and says, "The Air Division is recognized as a dealer and can purchase equipment and parts directly from this manufacturer at dealer prices." This

is the Minister who is in charge of purchasing for the Province of Manitoba through the Department of Government Services, and he's telling us that the Manitoba Government Air Division can purchase directly from this manufacturer.

I was always under the impression that these things were provided by Government Services and it would not be proper for the Manitoba Air Services Division to be purchasing directly.

**HON. J. PLOHMAN:** Mr. Chairman, also in that letter I did indicate that the overriding question on these tenders is on the specifications themselves and that of the use of brand names. The Purchasing Bureau, to the extent possible, does tender by specification and not by brand name, however, when other branches of government are specifying highly technical equipment, it may be necessary to give clarification to requirements a commodity must have, by the use of a brand name product as an example. In such situations the purchasing regulations, as appears in every tender form, governs the evaluation in the award of the tender.

I would say that paragraph does outline the concerns that we have and this is on one that has occurred previously, I don't know the exact date of when this tender was let out, last fall I believe, but we will certainly follow up on that particular situation in the future and try as much as possible to eliminate this kind of thing from happening.

**MR. H. GRAHAM:** Well, Mr. Chairman, the Minister has conveniently jumped further on the letter and I've got a long way to go on this letter yet.

I just want the Minister to confirm or deny that the Manitoba Government Air Division, according to his letter, can purchase equipment and parts directly from the manufacturer at dealer prices. Is that a correct statement or an incorrect statement? Remember it's your own letter.

**HON. J. PLOHMAN:** Thank you for that reminder. I would like to express my thanks for that. Of course, I wouldn't have realized that it was my own letter even though I had signed it, would I, Honourable Member for Virden?

**MR. H. GRAHAM:** I don't know whether you recognize what you've done or not.

**HON. J. PLOHMAN:** I have, Mr. Chairman. I'm quite aware that my signature was on this letter and that I have signed this letter and written it. I can tell you that the advise that I have is that they are recognized as a dealer for the purchase of certain equipment. They have been in the past and this was the situation at the time that this occurred. I feel that it is possibly, if it's going to lead to purchases of out-of-province goods, where they could be purchased in province, that this matter can be looked at.

**MR. H. GRAHAM:** Well, Mr. Chairman, is the Minister then prepared to issue a directive to Manitoba Air Division to cease and desist as acting as a dealer, and that in future all purchases will be made through the Department of Government Services, and they are to

desist from purchasing directly from manufacturer at dealer prices?

**HON. J. PLOHMAN:** The specifications were outlined by the Air Division and I would be prepared to discuss this matter with the Minister of Transportation, to discuss exactly why the benefits, the advantages of the Air Division dealing directly on this particular matter, and if there can be any improvement made in the procedures and the system that is currently in place, we will look at doing that.

**MR. CHAIRMAN:** The Minister of Natural Resources.

**HON. A. MACKLING:** Well, Mr. Chairman, I think the Minister has indicated concern to discuss the matter with his colleague and look into this purchasing practice and this dealership practice.

My question to the Minister is how long has the Air Services employed this dealership arrangement? Has it been ongoing for some years or is this a new departure?

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, I'm not exactly sure as to the length of time that this has existed but it certainly was in place at the time that this particular bid was made and I have no reason to believe that there were any changes made before that, that we have reverted to this method, but I can certainly find out the answer to that question.

**MR. CHAIRMAN:** The Member for Virden.

**MR. H. GRAHAM:** Well, Mr. Chairman, I'll go on then to the next sentence in the Minister letter. He says, "This of course results in dollar savings to the government, but also does have the effect of making it more difficult for dealers, such as Advance, to match prices on equipment manufactured by King Radio." He said, "Advance Avionics are aware of this situation."

Now, Advance Avionics is a Manitoba firm. I don't believe that the same can be said for King Radio Corporation. While we recognize that the Manitoba Government Air Division is also a Manitoba firm, I don't think it is our intention to have them operating as a dealer in competition with other dealers in the Province of Manitoba. Is that a correct statement?

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, I think that is the opinion in the words of the honourable member. I can't comment on that.

I could say that dollar savings, of course, is not the only concern, but certainly it has to be a concern of the government and if certain things can be purchased at times cheaper elsewhere, that it is done.

I said earlier that we are attempting wherever possible to provide methods by which we can purchase Manitoba goods wherever possible, and as I mentioned in our purchasing policy, where there's a marginal price difference, that we could award a contract to a local supplier. But all of the economic impact and value



added, etc., has to be made before a decision like that can be taken on a particular contract.

**MR. H. GRAHAM:** Well, we'll go on with the letter then. In the next part of the letter, the Minister indicates that Tender 12-1515, Item 1, 1 only VHP AM ground-to-air base station 118-135.95 MHz digital tuning acceptable." And you say, "Because specifications were not met, this part of the order was cancelled and will be retendered at a later date."

Mr. Chairman, I am also in receipt of a letter that was sent to Mr. Phil Eyler by Advance Avionics Aircraft, the same company that had been referred to earlier in the letter and the letter starts out "Dear Mr. Eyler: I am in receipt of a copy of the response from Mr. John Plohman and in reviewing some of the replies, it is no wonder that this present government is financially unstable.

"Page 3, Tender 12-1515, Item 1, 1 only VHF AM ground-to-air base station 118-135.95 digital tuning acceptable. He stated that these specifications were not met and would be cancelled and retendered at a later date.

"According to Advance Avionics that is not true. The fact is that the order for the same part of this tender was awarded to Star Lite Communications. Model was a Johnson 727 base type amounting to \$1,556 Canadian."

Could the Minister please clarify that point?

**HON. J. PLOHMAN:** Mr. Chairman, it is my understanding that the information as itemized in my letter is correct. I have, though, asked for an investigation further as a result of the letter that the honourable member is referring to and if, in fact, he is correct, then I will certainly follow up on that and take whatever action is necessary.

However, I'm at this time advised that was the correct information and that's why it was included in the letter. I would just say, Mr. Chairman, that we are asking for a further report on it as a result of the follow-up letter.

**MR. H. GRAHAM:** Mr. Chairman, I just raised these things to point out a few things that are occurring in the Purchasing Department of the Department of Government Services.

Apparently there are discrepancies that the Minister may not be aware of and it leaves me with the suspicion that perhaps not all is well with the Purchasing Department of government. The Minister has indicated that he is carrying out a further investigation in this particular case. I would hope that the Minister would probably carry out a larger investigation to see to what extent things of this nature might be occurring and to take all steps to make sure that the philosophies and the general principles that he has announced to this committee today, are adhered to.

**HON. J. PLOHMAN:** Mr. Chairman, wherever there are complaints, we will certainly look at. We are always anxious to find out if there are problems that are occurring. Certainly there has always been, I think there always will be, some variations from what we would like to see in a large department and what occurs depending on the nature of the purchases that are

made. Some of the purchases are very sophisticated electronic equipment and so on, and it's not as easy to apply the general rule, the performance specifications to them, but we will attempt to do that. I certainly appreciate that the honourable member has raised this concern again. I was concerned in this particular instance and have as I said, responded to the last letter by asking for further information on it. When we get that information, we'll follow it up.

I believe there always has been and there will be variations from what we would like to see, but we have to deal with those when people come forward with their complaints or their concerns, as there always will be when you're dealing with the public, when you're dealing with purchases. People are concerned if they do not get the tender. That has happened in many cases and if adequate explanations are not there, then I would like to know why and I certainly would find out why.

In all cases though, I would hope that we are able to provide adequate information to suppliers, to individuals and to companies who are concerned that their particular tender or bid was not the successful one. We certainly welcome them to come in and discuss the tenders in detail with us.

**MR. H. GRAHAM:** When the Honourable Minister completes his investigation into this particular matter, would he be good enough to provide me with a copy of his report?

**HON. J. PLOHMAN:** Certainly, I would be willing to provide the honourable member with a copy of any correspondence going forth on this and I can say, as well, that we have almost \$100 million worth of purchases in a year in this department. So there's bound to be, and I understand, a very small number of complaints percentage-wise for the huge amount of purchases that are made through this department. Certainly, the ones that the honourable member would hear about would be the ones where people are complaining, but I don't think that is indicative of the overall performance of the Purchasing Branch.

**MR. CHAIRMAN:** 3.(d)(2)—pass; 3.(e)(1)—pass; 3.(e)(2)—pass; 3.(e)(3) - the Member for Virten.

**MR. H. GRAHAM:** Mr. Chairman, in the Acquisition of Materials for their Inventory, could the Minister indicate to what extent those materials are made in Manitoba or in fact made in Canada as well?

**HON. J. PLOHMAN:** Mr. Chairman, with regard to the inventory, it is largely made up of furniture, construction materials, food and food-related materials, clothing and janitorial supplies.

I do not have the exact figure of percentage that is for provincial that is Manitoba-made, but it is a large percentage that is currently purchased locally within the province. But as we have indicated, we feel, and I think the honourable member has indicated, there are specific examples where purchasing is still being done out-of-province and we're trying to bring that percentage up as high as possible or as close as possible to 100 percent. There will always be some purchases that are made out-of-province because

certain commodities maybe are not available, but we would attempt to reduce that as much as possible.

I can't say whether it's 80 percent. That seems to be a figure that I have heard, 75 percent or 80 percent of the goods are produced in Manitoba, but I am not exactly certain whether that is an accurate figure.

**MR. CHAIRMAN:** 3.(e)(3)—pass; 3.(e)(4)—pass; 3.(f)(1)—pass; 3.(f)(2) - the Member for Pembina.

**MR. D. ORCHARD:** The Telecommunications Branch, I assume, co-ordinates the telephone service, telex, all the communication services used by the various branches, boards and departments of the government?

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Yes, the Telecommunications Branch is responsible for the installation of services and the use of procedures and policy guidelines for telecommunication services for government, as well as operating the centralized switchboard, receptionist services, assembling and compiling the interdepartmental telephone directory information, reviewing, evaluating, preparing the reports on existing telecommunication services within the Government of Manitoba, and liaising with the MTS Telecommunications Services with MTS as to the services required by the Government of Manitoba. That is basically the realm of responsibilities falling under the Telecommunications Branch.

**MR. D. ORCHARD:** When the Minister made his opening remarks he indicated that there was an intergovernmental Centrex system that was approved, I believe, for co-ordination and installation back in, I think, about June of '81, but I'm not sure when it was. Now, I take it that's been completed.

**HON. J. PLOHMAN:** Yes, Mr. Chairman, I should say that has not been completed. It is in the process of being installed and will be completed, going onto that I believe in June of '83.

**MR. D. ORCHARD:** When we gave approval to that Centrex system, I recall the projections of some fairly significant cost savings in the telephone bill of the province. But yet, in Other Expenditures, we've got a \$340,000 increase which doesn't seem to fit with the projection of the cost savings that the Telephone System has indicated would have been available should we go to this Centrex system back in '81 - I believe it was approved in '81. What's the reason for the \$340,000 increase in this expenditure?

**HON. J. PLOHMAN:** The Other Expenditures figure is higher because the department is being billed directly by the Telephone System for WATS coverage and the budget does not reflect the reduced amount that is being billed through the other departments for DDD. So what we have here is the amount shown that is billed directly to this department for WATS coverage. We then are able to collect in recoverables, if you will notice in (f)(3); a much greater amount from other departments, from other appropriations, from \$125,000

to \$930,000, so we're able to offset that by recovering a large percentage of the costs for the WATS and therefore our total costs are less. If you would work out the difference between those two appropriations, you would see that our total amount is much less than it would have been under the previous system. Departments will no longer have DDD costs in their budgets, so that is a significant saving overall to government.

**MR. D. ORCHARD:** Okay, I think I tried to follow the Minister's answer there. Our departments, line departments of government, are still paying telephone costs, or do they all appear under the \$1,571,400 and then billed from Government Services to the various user departments according to the amount of usage?

**HON. J. PLOHMAN:** Yes, that is correct. Government Services bills them for the costs that they incur of that WATS cost. Any direct distant dialing that they do would be paid directly to the Telephone System.

**MR. D. ORCHARD:** Well, then is the Minister saying that within the \$1,571,000 that we're not necessarily seeing the entire telephone costs of the Government of Manitoba, the line departments of the Government of Manitoba?

**HON. J. PLOHMAN:** Practically all, Mr. Chairman. There may continue to be a small amount of DDD in there but basically that will be primarily the total amount.

**MR. D. ORCHARD:** Well, then is the Minister justifying the \$330,000 increase by the fact now that it's a greater percentage of line department calls being billed through the Centrex system and then recovered from the line department appropriations?

**HON. J. PLOHMAN:** Yes, Mr. Chairman, that is correct. There will be about 2,000 more phones on Centrex, that previously were on WATS, than there were before when they were on DDD which is a more expensive service.

**MR. D. ORCHARD:** Could we then go to the other line departments that are in this Estimate Book, have them develop their telephone costs for us, and they should be down because this one is up. Would that be a fair assumption?

**HON. J. PLOHMAN:** Their total costs for telecommunication service for phones will be down because WATS is cheaper than direct distant dialing, so you should be able to find a corresponding saving in other departments.

**MR. D. ORCHARD:** Can the Minister show us that?

**HON. J. PLOHMAN:** My understanding is that we would have to go to each department to determine exactly what their costs were and what they are now, to show it and that it's not done, even as a separate appropriation. Each department is done as a code, and therefore it would be difficult to isolate from each department.

**MR. D. ORCHARD:** I'm not sure how accounting or how Public Accounts - I've never really looked at this in Public Accounts - but is it fair to assume that someplace in Public Accounts there's a total telephone bill made up of what is under this appropriation, plus other appropriations throughout the department, is that a fair assumption?

**HON. J. PLOHMAN:** I'm advised that could be isolated in public accounts.

**MR. D. ORCHARD:** But, it is still going to happen that because of the Centrex system that was installed, assuming there is no change in the volume of calls or where the calls are placed. If we're talking apples to apples, you're going to have lower telephone long distance calls with Centrex?

**HON. J. PLOHMAN:** Yes, Mr. Chairman, the estimation is around 15 to 30 percent decrease in costs.

**MR. D. ORCHARD:** Okay. So that means 15 to 30 percent on 1.5 million or the total bill, just on the bill you bill through this department or on all bills?

**HON. J. PLOHMAN:** Mr. Chairman, 15 to 30 percent decrease on the total DDD costs that were previously incurred by all departments.

**MR. D. ORCHARD:** Has the Minister in the Communications Services brought in any new services in the last year or so?

**HON. J. PLOHMAN:** There have been a number of additional WATTS lines that have been added effective after March 1st, 1983 and there were two additional WATTS lines added to Saskatchewan, Ontario and Alberta, seven lines from five; one was added for B.C. and Quebec, one additional line was added there; we have 18 lines currently, we will be adding another four when Centrix is in.

**MR. D. ORCHARD:** I assume that part of the new services is the - well I guess it's an 800 number or whatever, but your universal number to call an MLA that's available toll free through rural Manitoba. That's a service, I think, that's come in in the last six months or so. What's it estimated that's going to cost for a year's operation?

**HON. J. PLOHMAN:** For a year's operation approximately 20,000.

**MR. D. ORCHARD:** Well, from time to time, and I don't have the number with me, but from time to time one can phone a number and I don't know whether it ends up in the Telecommunications Branch, but you phone this number and you get the latest good news from a Minister of the government, is that a new service?

**HON. J. PLOHMAN:** It certainly hasn't been a service that I know that we've added since I've been Minister, I think that this existed last year already. I don't know how many years previous it existed. I could find out exactly when that was instituted.

**MR. D. ORCHARD:** That would be very helpful if the Minister could find out when that service was brought in, what its cost will be, what the purpose of the service is and whether all members of the Legislative Assembly will have access to putting messages on this dial-in, phone your government information service. Would it be possible, for instance, opposition MLAs to likewise put a message on there to inform the public of things that they think are important to the information that they should have about the operations of government?

**HON. J. PLOHMAN:** Mr. Chairman, I wish the honourable member would be a little more specific as to the number and who answers it and so on, but I would think that any service such as this would give information about government and therefore would involve Ministers of the Crown as opposed to MLAs. However, as I said, I would be willing to get more information on that particular service that he's referring to, if he could be more specific how he gains access to it.

**MR. D. ORCHARD:** Mr. Chairman, I haven't found that I had a great desire to phone in and hear the golden tones of the Minister of Cultural Affairs talking about the various grants he's given out and the Minister of Agriculture on the Crow rate and things like that. I haven't taken advantage of that, but there is a number that one can dial. I think the Minister could probably find out what it is, because after all I believe the government is paying for it. I believe his department is probably paying for it and I think he should probably be able to find out the number and how much usage there is of it. If the Minister, when he's checking it out could find out the number of calls that have come in for this number, I know calls are monitored on those open access lines so that we're billed on a per-call basis, and if he could indicate whether MLAs in the Assembly could have access to putting messages on that particular service.

**HON. J. PLOHMAN:** Well, certainly we'll find out, Mr. Chairman, exactly what the cost is and if it's not being utilized the way it should be, maybe we should be advertising it a little more and making it available. It sounds like, if it's containing press release information and so on, that it might be a good service, but I would look into it, Mr. Chairman, and find out exactly what the costs are and exactly how it is operated.

**MR. D. ORCHARD:** At the same time would the Minister advise whether members of Her Majesty's Loyal Opposition could put their press releases on it as well.

**HON. J. PLOHMAN:** Mr. Chairman, we will certainly find out all aspects of that service for the public. — (Interjection) —

**MR. CHAIRMAN:** The Member for Springfield.

**MR. D. ORCHARD:** Mr. Chairman, I'm not quite finished my line of questioning.

Mr. Chairman, I detect from the end of the table that the Minister of Natural Resources thinks that is not a proper request and he said something to the effect,

not in your lifetime, and now says, hear, hear, when I suggest that he's thinking it's not a proper request. But, you know, Mr. Chairman, there are a great number of Manitobans out there who, of recent, have found themselves unwilling to accept as forthright and correct information, for instance, the Government News Services press releases that come out. Because there have been a number of instances pointed out in the House, as you're wellaware, where the information was not entirely without a political bias to it and News Services has tended, particularly in the case of the rural newspapers, radio stations, etc., over the years come to rely on News Services as a factual presentation of new program announcements, etc. That doesn't seem to be the case in the last year, particularly when the First Minister saw fit to bring the Government News Services out of, I believe, the Department of Consumer and Corporate Affairs, although I'm not sure of that, and bring it into reporting to the Premier's Office and reporting through his press aide, Dan O'Connor. It was after that move that many of the rural media have questioned the reliability and the impartiality of Government News Services and in — (Interjection) — if the Member for Springfield seems to have a problem with what I'm saying, I trust, Mr. Chairman, that you'll recognize him sometime this afternoon so he can unload whatever's bothering him. In the meantime, I believe I have the floor.

**MR. CHAIRMAN:** Would the members please speak one at a time?

**MR. D. ORCHARD:** Do I have the floor, Mr. Chairman?

**MR. CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. There is no question that the objectivity of Government News Services has come into question with its new reporting through the Premier's Office.

What people are finding somewhat questionable is now the use of government funds to have an open line where you dial in and you get the latest up-to-date message from a Minister of the Crown. There are those who, for whatever reasons, call that propaganda and they object to having taxpayer money being spent on promoting a political message, in their eyes, to the people of Manitoba using taxpayer dollars, because not all taxpayers in the province favour our political party or the government's political party and they tend to want news services not to be a political and propaganda arm of the government of the day, but rather a factual source of information that they can provide their readers with an objective breakdown of new programs, changes in programs, changes in regulations. When the news services and these phone-in telephone lines come in with, from time to time, biased messages, it destroys the objectivity in news services and deprives Manitobans, to some extent, of knowing what their government is doing.

There is forum and there always will be a forum for political messages from MLAs and Ministers of the government and that's a press release put under their signature into their local newspapers or into the regional newspapers. I would like the Minister to get us a little

more information on how, when this particular telephone service came in and what its cost is and, particularly, whether all members of the Assembly would have access to putting their messages on it.

**HON. J. PLOHMAN:** Mr. Chairman, I believe that, without having information on this line, it's probably that the honourable member has isolated where he has found out about this line and that is, he believes it's part of Information Services and, therefore, probably will be paid for by Information Services. It seems to me that he's objecting with the medium that is being used. If it's a news release forum from Information Services, that's okay, but if it's on a telephone, it isn't. I don't understand that this, in any way, would deprive Manitobans of what the government is doing. I heard that statement from the honourable member as well.

I don't think that Information Services has any more political bias now than it ever had, and certainly isn't perceived that way by the public. People are aware of the information coming from the government through Information Services, certainly through many forms of the media, and I cannot think that the honourable member would be able to point to any particular examples to back up his statement that it is more political. Certainly, that is in the mind of the beholder as to whether they feel it is factual or whether it is political. The government certainly feels that the information given out through Information Services is factual information as always has been the case, as all governments, I'm sure, feel when they are supplying information about government to the public.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. I know the Minister may believe that what he said is correct and I hope he does, because then he'll continue to put out the same kind of - he won't change the system and that will, in no small way, lead to favourable election results against him.

Now there is point-blank cases of misinformation going out under Government News Services. I pointed an instance out to the Minister of Agriculture last week. He has not brought back the information I requested to correct the message in Government News Services bulletins. So, you know, there is a problem with information that's going out . . .

**MR. CHAIRMAN:** The Chair reminds the Member for Pembina that the speeches should be relevant to the topic, to the item or clause under discussion. Information Services is under the Department, Executive Branch.

The Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. I noticed that you were quick to jump on the Minister when he was mentioning News Services as well, and I thank you for that.

Mr. Chairman, the telephone service that I referred to is, no doubt I believe, part of this Telecommunications appropriation. I do not believe that it is part of Government News Services but, if it is, it will be billed to you and be part of this appropriation even if it is redirected in its billing and recovered from News Services. So I think it is, in all likelihood, within your jurisdiction to find out and provide the information.

**HON. J. PLOHMAN:** I have already stated, Mr. Chairman, that I will certainly find out where that service is being provided. I indicated that earlier to the honourable member.

**MR. CHAIRMAN:** The Member for Kirkfield Park.

**MRS. G. HAMMOND:** Mr. Chairman, my question has to do with the - I'll yield to the gentleman, if he likes.

**MR. CHAIRMAN:** The Member for Kirkfield Park has the floor.

**MRS. G. HAMMOND:** Thank you. My question is about the telephones and it has to do with the members' telephones. This is just a question to find out if it is possible for a member to have either another line installed and pay for it themselves in their offices, if this would be a consideration through Government Services. Because when you're using, with the limited time, and you have someone that you're leaving messages with, it becomes an impossibility ever to get someone through on your line if you're using it at all. My request is not for the government to pay for it, but something that a member would be able, if they would like that extra service, to pay for it themselves.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, this is the first such request that we've received from any members and I would certainly be prepared to look into providing that additional service if members feel that it is inadequate, and I think that we should then consider it. I would be prepared to look into it. If the honourable member would care to see me on this matter, I could follow it up.

**MRS. G. HAMMOND:** I thank you, through the Chair. I don't want to be causing a matter of undue cause but when I have heard people talking about constituency offices, I think an extra phone probably would suffice in many cases and for my own part, I would certainly be willing to pay for it, and I will bring it to the Minister's attention.

**HON. J. PLOHMAN:** I took it that the honourable member was not wanting the government to incur any greater costs. However, if we want to look at it as a service for members, in terms of all members being able to avail themselves of increased telephone service in terms of the lines, then I think that would be a matter that should be discussed at the Board of Internal Economy, or whatever body is in existence at the time, that deals with services to members.

**MR. CHAIRMAN:** 3.(f)(2) - the Member for Springfield.

**MR. A. ANSTETT:** Mr. Chairman, I wanted to comment earlier when the Member for Pembina was commenting about services to members with regard to the use of the new service call-in number. I had some reservations about making any such service available to members, whether they be government backbenchers or opposition members, for two reasons.

One, because the government has a responsibility for the dissemination of new service information,

regardless of how the Member for Pembina feels that information may be constructed and whether or not he feels it has a political bias.

And two, I don't think the Department of Government Services should be directly involved in determining what types of services should be provided by members.

As the Minister suggested to the Member for Kirkfield Park just now, those services should be provided by the Board of Internal Economy and if the Member for Pembina wants to see that kind of vehicle provide those kinds of services, then I would expect his support with regard to a reform of that particular board and providing for an all-member board, which is going to be responsible for providing services to members.

So far that kind of support hasn't been forthcoming from him and until he decides that he wants a voice in the provision of services to members, it's inappropriate for him to try to get it through the backdoor. I think it's inappropriate for the Minister of Government Services to take it on his own hat to try and provide those services. I think it would be wrong for him, so I think he's quite right in suggesting that these things should be referred to the Board of Internal Economy.

Another thing I have problems with, Mr. Chairman, is a suggestion by the Member for Pembina that news releases by the Information Services, whether they be provided through the Telecommunications Branch in the special call-in telephone service that's being provided, or whether they be the news releases that are provided directly to the media by the Executive Council.

The News Services Branch are political in some way, or biased in some way. The member has made a very serious allegation, yet he's offered no proof. He hasn't tabled one letter from a radio station or newspaper saying that they found that there's been a substantive change in the quality of these releases since the government changed. He's offered no proof and yet he's laid that kind of allegation on the table.

Now perhaps he's going to want to make that allegation again when we get to the Executive Council Estimates, but when he ties it to what's being provided on the telecommunication service, I think he has an obligation to lay some proof before this committee when he makes those kinds of irresponsible allegations.

It only makes one recall the hundreds of thousands of dollars that were spent telling Manitobans they were sitting on a gold mine before the last election. If he wants to talk about political advertising, it's a very different thing when we talk about that kind of advertising.

**MR. CHAIRMAN:** May I remind the Member for Springfield again about the relevancy to the item under discussion?

**MR. A. ANSTETT:** With respect, Mr. Chairman, I am discussing exactly the item that you considered relevant when the Member for Pembina was making his irresponsible accusations. I'm only responding to the relevant comments, the comments that you considered relevant from him, in suggesting to him through you, Mr. Chairman, that if he wants to make those kind of accusations in the Department of Government Services' Estimates, then they not only have to be relevant but he's going to have to back them up with some facts.

**MR. CHAIRMAN:** The Member for Kirkfield Park.

**MRS. G. HAMMOND:** Yes, Mr. Chairman. Just with relation to the comments from the Member for Springfield, certainly we don't really want to get into big cost issues when it comes to supporting big costs for the members. When I'm referring to a telephone, I'm talking about one little old line for a member who may want it. Now if this means it's going to be extensive cost for everyone, I don't think we're willing to get into that sort of a thing. So possibly the Minister could just take a look at this type of thing and just even to bring a cost in would be a help. Thank you.

**MR. CHAIRMAN:** The Member for Virden.

**MR. H. GRAHAM:** Thank you, Mr. Chairman. I too, want to say a few words about the advice offered by the Honourable Member for Springfield. I find it rather strange that he would suggest that we break the law, because I understand it's illegal to tape a telephone conversation without the knowledge of the parties involved. — (Interjection) — You did. You wanted proof.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. You know the Member for Springfield does get things twisted around in his mind on a regular basis. There was no desire on my part to obtain anything - as he puts it - through the backdoor as a service for members. What I was pointing out to the Minister of Government Services through this line 3.(f) is that his Telecommunications Branch does offer a line where Manitobans can phone this number and receive a message from various Ministers of the Treasury Branch.

My question quite simply was, would the Minister indicate what the policy is in whether there was an opportunity for members of the opposition, because a Democratic Government only works when people have access to both sides of any question. I think my question and request to the Minister was just to simply investigate whether the policy framework under which this telephone service was developed would allow, from time to time, having Her Majesty's loyal opposition put a given message on that telephone line and have Manitobans, who wish information, to get that information from them.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, I would appreciate if the honourable member would give us the number so that we could find out this magnificent number that so many Manitobans are using to dial directly to the Legislature to get information directly from a Minister. The number has not been given, I've never seen it in a telephone book anywhere and I've never seen it advertised anywhere. So I would like the honourable member to provide that information as to where he can phone from Pembina, so that we can share that information with everyone else.

The inquiries that I have made, the MLA toll-free line is provided through the Telecommunications Branch and there is a line also provided by a direct line to the

Brandon provincial building. But at this time they are not aware in the department of that particular service through Telecommunications Branch.

**MR. CHAIRMAN:** 3.(f)(2) - the Member for Springfield.

**MR. A. ANSTETT:** Mr. Chairman, this Telecommunications Branch, is this the branch that's responsible for dealing with Manitoba Telephone System and providing them with the necessary information for MLAs' listings, telephone directories?

**HON. J. PLOHMAN:** That information is provided through the Telecommunications Branch — (Interjection) — that's right, and the listings have not in the regional directories, however, been prepared by the Manitoba Telephone System themselves.

**MR. A. ANSTETT:** In the absence of the Member for Emerson, who shares a regional telephone directory with myself, I realize the Minister has assured him that the error that's happened twice with regard to his listing in that directory won't happen again. But I'd like to know from the Minister whether any direction has gone out through him to the Telecommunications Branch and then hopefully to MTS, or directly from him to MTS, in his responsibility for that Crown corporation to ensure that not only will the Member for Emerson's listing be properly provided for in the regional directory for Eastern Manitoba, but that something better than a listing of constituencies and MLAs' names will appear in regional directories in the future.

I bring to the Minister's attention the fact that municipal offices and other public contact points are listed in the front of the regional directory with their address, the town in which they're located and street address and their telephone number, but MLAs and federal MPs are listed only by name and political affiliation and constituency which, if the purpose of the telephone directory is to enable the public to reach these people, is certainly of no assistance whatsoever. I know the Member for Emerson shares my concern in this regard, so I bring it to the Minister's attention both on his behalf and in my own interest.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Well, Mr. Chairman, as I indicated in the House, the Telecommunications Branch of the Department of Government Services now will review the proofs before they are printed by MTS to eliminate the error that occurred in the last year with regard to the regional telephone directories. Previously, the Telecommunications Branch did not review the regional directory information which was, as I said earlier, a condensed version of the main directories and now we will be doing that. So we will attempt to make every effort to eliminate that problem that has existed.

In terms of the telephone number, the listing, I believe, also includes the caucus telephone number in the above, the listing of all of the MLAs indicating whether they are New Democratic or Conservative. There's a number in the regional directory, above. There is a number of the caucus that I've seen - I don't think that there is for the individual numbers - and I've indicated that

there was originally a request I believe by one of the members. I believe it was the Member for River Heights, who had sent a letter to Saul Miller, and I saw that response from the Chairman of the Board for the Manitoba Telephone System in which the member had asked for having a telephone number present, and we had indicated that would be the case in the future, that the caucus number would be listed in the new directories.

Now, if the honourable member is shaking his head that it wasn't in the past, that's true, but in the future the caucus number would be listed.

**MR. A. ANSTETT:** Mr. Chairman, just to correct the Minister's impression as to what I was indicating by the shaking of my head. The regional directories contain no telephone numbers whatsoever on the page which lists MLAs and MPs. The Manitoba all-province directory does contain, as does the City of Winnipeg, in the blue pages, the information the Minister suggests has been included in the more recent directories. That was included both in the City of Winnipeg directory last June and in the new Manitoba province-wide directory last November, but the regional directories that were issued this winter contained none of this information.

As the Minister well knows, representing a rural area with the advent of the rural small regional directory several years ago, most rural constituents tend to rely on those directories and put the larger bulky province-wide directory aside because the small book serves almost all of their needs for their local calling areas and for the short, long distance calls in the neighbouring communities. So those tend to be the phone books that are beside the phone in most rural homes and in small towns and villages. So I think it's important that the listings for MLAs that are contained in those books provide adequate information, since rural residents are not going to be consulting the larger directories.

In addition, Mr. Chairman, I have some concern about the types of listings that are provided in rural directories for MLAs. If one were to look up the name of the Member for Dauphin, or the Member for Lac du Bonnet, or the Member for Emerson, or the Member for Springfield, one would find the format for that member's entry under his name alphabetically in his home exchange and in those other exchanges within his constituency for which he'd paid a listing fee to be different. Some are in bold type, some have the name of the constituency beside the member's name, others don't.

Now, I realize that's up to the member to determine what he wants to pay for, but I think your Telecommunications Branch could make all members aware on a universal basis of what is available so they know exactly what they're paying for and what they can get. Otherwise, every member is dealing individually with the Telephone Business Office and mistakes do occur. I point out for the Minister's benefit that my listing in the City of Winnipeg directory last June advertising a Zenith number, which I pay for at my own expense, for my constituents who have Winnipeg exchange numbers is listed under Andy rather than under Anstett in the alphabetical listing. Now, luckily in my case, that turns out to be on the same page

because of the similarity of the two names. In addition, Mr. Chairman, my Zenith number and my name are listed in the yellow pages under "Signs."

Now, that tells me that there is no co-ordinated approach. Now, the Minister smiles because I brought this to his attention before, but I want to put it on the record and indicate that in terms of co-ordinating the listing for MLAs, and for MPs because they also are primary contact points for the public with their governments at the federal level, should be a co-ordinated approach where everybody knows exactly what they can get, what it's going to cost them and how it should be done. I think that's a benefit to all members but primarily to members in rural areas, and I'm sure the Minister agrees with me on this, but I think it's valuable to have staff not only hear it today but have it on the record, so they know what we're looking for in this regard.

**HON. J. PLOHMAN:** Mr. Chairman, we'll endeavour to provide the information as to what is available. Certainly that is service that we can provide. However, the actual dealings with what the individual member would finally want to have has to be a matter between him or herself and the Manitoba Telephone System.

**MR. CHAIRMAN:** 3.(f)(2)—pass; 3.(f)(3)—pass; 3.(g)(1) - the Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, proceed down to (g)(3).

**MR. CHAIRMAN:** 3.(g)(1)—pass; 3.(g)(2)—pass; 3.(g)(3) - the Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, could the Minister indicate to what extent government mail is parcelled to regions for distribution there and the subsequent postal saving that occurs in that respect?

**HON. J. PLOHMAN:** Mr. Chairman, I'm advised that wherever there's a major provincial building, such as Brandon, Dauphin and similar types of facilities, mail going there is bundled in one grouping and sent out and then it's distributed from that point.

**MR. H. GRAHAM:** Could the Minister indicate, or has he any information as to the saving that occurs in that respect?

**HON. J. PLOHMAN:** In terms of the actual dollars for that particular matter, it is a considerable saving for the postal services.

However, the actual dollars I don't have in saving as to whether everything was to be mailed out individually as opposed to bundling it from a central postal service here in Winnipeg. But it certainly is a significant saving to do it that way, than to mail it individually.

**MR. H. GRAHAM:** Mr. Chairman, another item. I would like to ask the Minister if other means of communication, such as courier service, appears under postage.

**HON. J. PLOHMAN:** No, courier services are paid for by the individual departments.

**MR. H. GRAHAM:** So it doesn't appear under postage at all.

**HON. J. PLOHMAN:** It doesn't appear under this appropriation. I can say though that we are bringing it to the departments attention to reduce the use of courier services wherever possible to save on costs to government and we have taken that responsibility to notify departments on this matter so that they would be aware that courier services can be quite inefficient in terms of communication distribution.

**MR. CHAIRMAN:** 3.(g)(3)—pass; 3.(g)(4) - the Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, I notice we have an item of \$30,000 Recoverable which Government Services is attempting to recover from Other Appropriations this year that they never attempted to recover in the past. Could the Minister indicate what that entails?

**HON. J. PLOHMAN:** This is an attempt to recover the costs from departments when there is any special or large mailings that go out from departments that are not of the usual nature.

**MR. H. GRAHAM:** Could the Minister be a little more specific?

**HON. J. PLOHMAN:** I will attempt to get the honourable member some specific examples of large mailings that are recovered from individual departments.

**MR. H. GRAHAM:** Are you including express and freight as well?

**HON. J. PLOHMAN:** No, that is not included in that figure, Mr. Chairman.

**MR. H. GRAHAM:** All I can say is I wish the Minister well then. A \$30,000 saving is a \$30,000 saving.

**HON. J. PLOHMAN:** Mr. Chairman, if there's a new program that hadn't been planned for that is added by a particular department then we would attempt to recover the costs for mailing for that particular program. That is where the \$30,000 would come in. As you said, we're hopeful that we can collect that amount but that is not necessarily so.

**MR. CHAIRMAN:** 3.(g)(4)—pass.

RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,291,400 for Government Services, for the fiscal year ending the 31st day of March, 1984—pass.

The Honourable Member for Virden.

**MR. H. GRAHAM:** No, Mr. Chairman. The Member for Pembina undertook to provide a telephone number for the Minister. He has gone to get that but he will give it to the Minister on his return.

**HON. J. PLOHMAN:** Thank you, Mr. Chairman.

I have some information, Mr. Chairman, before we go on perhaps that the honourable member would like unless he wanted to receive this after, and if he would like we could continue to progress with the Estimates.

I have the number of four-wheel drive vehicles, for example, by departments here. The Department of Agriculture has 17; the Department of Natural Resources has 66; the Department of Highways has 9; the Environment 3; Energy and Mines 3; and I don't know where the Elite Potato Farm gets in there, but that's a total of 99.

**MR. H. GRAHAM:** I would like to know where the Elite Potato Farm got in it too.

**HON. J. PLOHMAN:** The Department of Agriculture has 17, plus one would be 18.

**MR. CHAIRMAN:** What's an elite potato?

**A MEMBER:** Where is the potato farm? I don't know. Probably in Harry's constituency.

**HON. J. PLOHMAN:** Yes. My understanding is, that the Premier has used Ministerial pool cars on four occasions when his car was being serviced but has not used the pool car except for when his own car was being serviced.

I have the Central Vehicle Branch, the gasoline purchases. The order went to Imperial Oil this year on December 28, 1982 - 2.5 million litres regular and unleaded gasoline - the total was \$666,250.00. There were seven bids ranging from \$666,000 up to \$747,000.00.

I'm also told that Mohawk have never indicated in the past a desire to bid and therefore did not submit a bid this year as well. I'm not aware why they have chosen not to bid. However I'm going to be asking why they have not bid so they are not included as one of the seven bidders in there as I indicated Imperial Oil was the low bid.

The Manitoba Beef Commission has been assigned, I understand, two vehicles, the General Manager one, and the Marketing Manager one, for a total of two.

**MR. H. GRAHAM:** Could the Minister check that again please? I think there may be more recent information.

**HON. J. PLOHMAN:** Well, certainly, we can check it. The Department of Agriculture is, I believe, currently in Estimates as well and would be able to answer the number of vehicles that they have for the Beef Commission but the latest information that we have and we received today was, that there are two and I can certainly check that information for the honourable members.

**MR. CHAIRMAN:** What is the pleasure of the committee with respect to Resolution No. 84? Pass.

We are now on Item No. 4.(a)(1)—pass; 4.(a)(2)—pass; 4.(b)(1)—pass; 4.(b)(2)—pass; 4.(c)(1)—pass; 4.(c)(2)—pass; 4.(d)(1) - the Member for Virden.

**MR. H. GRAHAM:** Mr. Chairman, I notice there is a significant increase in the salaries here. Could the



Minister indicate how many additional planners he has in his department?

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, there have been five additional SY's added for the Planning Branch. These particular people are coming from - 10 of the people to form the Planning Branch are coming from Design Services and Project Management. So there is a total of 10 coming from those two departments and an additional five will be hired to form the new Planning Branch. Coming from the Design Services will be one administrative secretary, two architectural planners, one drafting technician, and from Project Services will come four space planners and two acquisition officers, so a total of 10. Those are the current staff that will be moving towards the Planning Branch to form what will be a 15-member Planning Branch, 10 from within other existing branches and five new ones to serve the function of planning for the department.

**MR. H. GRAHAM:** Mr. Chairman, having taken all those people from Design and Project Management, I presume they have been replaced by others in those same departments as well because the salaries have not decreased there, or are we facing a duplication of salaries again?

**HON. J. PLOHMAN:** Mr. Chairman, the figures on the left have already been reduced to reflect the changes of the SY's. The increase in the salaries is due to the factors that I indicated before at the beginning of our Estimates, 27th pay period and so on that I indicated earlier. So they have already been adjusted to reflect the changes in the number of personnel.

**MR. H. GRAHAM:** Is the Minister telling us then that the figure, for instance, in Design Services of \$1,218,900 on the left-hand column is not the figure that was actual for last year? It has been reduced?

**HON. J. PLOHMAN:** There has been a reduction in both the Design Services appropriation and the Project Management appropriation to reflect the movement of SY's from those two branches into the Planning Branch.

**MR. H. GRAHAM:** Can the Minister indicate when those transfers took place? In fact, it might be advisable if the Minister gave us a complete sheet of SMY's for this particular segment, for the Project Services segment; in fact, even for the whole department, SMY's and the transfers that have occurred and show us where the people have been transferred and things of that nature. I'm sure, he has those sheets readily available.

**HON. J. PLOHMAN:** I've just indicated very clearly, Mr. Chairman, that there were 10 SY's transferred from two branches. Design Services have given up four and Project Management have given up six that have been reallocated for 1983-84 Budget purposes to the Planning Branch. In addition to that, there are five new SY's added. That is why there is as much of an increase as there is there, almost doubling from 287,000 to 515,000 in the Planning Branch.

That function, the Planning Branch function, part of that was happening in Design Services and Project Management in previous years. So that's why that is being indicated as having an expenditure of that amount for the previous year, although it wasn't done in a separate branch. Now the formation of a separate branch includes those 10 people from the other two branches and five additional people, so we have a transfer out of 10 people from Design Services and Project Management into the Planning Branch.

**MR. H. GRAHAM:** Mr. Chairman, I think that everyone who has had anything to do with government has always been somewhat concerned with planners if you have them dispersed, one or two here and one or two there. When they are individually accountable, they're usually pretty good people but, when you put 15 of them all together, there is a tendency for them to go hog wild and nobody is really responsible. I think that we've got a Pandora's Box here that we're not too sure - I hope the Minister knows what is going on there because he hasn't shown us yet what is going to happen when you put 15 planners all together in his department. That is only one department of government. It does cause us some concern here.

**HON. J. PLOHMAN:** I indicated earlier that these people are not all planners. There are four space planners, as I indicated, who are moving from Project Services who evaluated the need for space for the government in terms of leased accommodation and buildings, accommodation for various departmental offices. They will continue to do that function in this new Planning Branch. There will also be the acquisition officers now under this Planning Branch. Previously there were two. Now there will be three because they have had difficulty in meeting the needs, in working with other departments to meet the needs of those departments for consolidation and so on.

This department has been set up to provide space planning for the government, primarily with regard to working with other departments in planning their programs, their space needs, as they outline their programs for institutions, for example, where they are needed there; where there's been a gap in the Government Services being able to work with other departments in planning the space requirements for their programs as they develop, and so they have to work together on that. We want to be able to also assess when we should be leasing, when we should be building, those kinds of decisions would also be made in this Planning Department.

So, we've taken some of those functions from other branches and put them together into a Planning Branch. By no means is there going to be 15 planners. There is a director required for that particular branch and there is a secretary, typist, clerk and so on, who are as support help, support assistants.

We believe that those functions are necessary in government to help us plan for the space that the government needs and work with other departments in laying out the space requirements that they have.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. Is the Minister saying that when we look at the left hand

column line under Design Services Project Management, those figures aren't the print from last year, they are the print from last year less the transfer, is that what I take to be correct?

**HON. J. PLOHMAN:** That's what I said, Mr. Chairman, they transferred out the people that will be forming a new Planning Branch and therefore reduce the appropriation by that much.

**MR. D. ORCHARD:** When did those transfers take place?

**HON. J. PLOHMAN:** They haven't, Mr. Chairman, taken place. In fact, they have taken place for Estimates purposes, they will be taking effect in April.

**MR. D. ORCHARD:** Well, you have further fuzzified the modification of what you are saying, because you're telling us that they're still in the Design Services and Project Management, but yet you've removed them from those lines, you've put them in another line, where they're not there until next year. I think what the Minister should do is provide us, for each salary line in the Estimates, the SMY count from last fiscal year and the SMY count for this fiscal year so that we can try to help him understand where these people are going and what they're doing, because I may be wrong, but I don't recall setting up the Estimates, showing a transfer in salaries from the previous fiscal year before it occurred.

It seems to me that when we had staff shuffle-arounds in the Department of Highways - and I'm open for correction on this - I believe that we showed the print plus the reconciliation statement of the salary increment and that was the only change. We didn't show staff changes until we got into the right-hand column for the fiscal year in which the staff changes were going to take place.

The Minister seems to be telling us that he's struck these Estimates along a little different line and to make it become more clear what he's done, if he could provide us with the SMYs from last year and the SMYs for this year so that we can have sort of a path to follow as to what he's accomplished and determine, indeed, how many SMYs there are in addition and how many deletions there are.

**HON. J. PLOHMAN:** Mr. Chairman, we can go through exactly how many SYs were listed in each of those branches and provide that information. It's not a long detailed affair, we're dealing only with two branches within the same appropriation, within Project Services. We are dealing with two branches that have been changed to form another branch. It was done this way, I imagine, by Finance to present in a clear way exactly where the function was moving from. Last year that function still existed to a certain extent in Design Services and Project Management.

Another way to do it would have been just simply to put zero in those and left the other appropriations up where they were. However, they have chosen in Finance to lay the Budget out this way so that it would clearly indicate that some of those functions did exist previously in other branches. So, they've indicated that those functions will be part of the new branch that is going to be formed.

We are dealing with Estimates for 1983-84, so we're dealing with the right-hand side of the column as the honourable member knows, and those are the numbers that we are asking for approval, not the members on the left. But the numbers on the left are structured in that way to show that function did exist before. Had they put zero on the left-hand side, it would have looked like they were entirely new function and entirely new people being dealt with there.

**MR. D. ORCHARD:** Let me ask the Minister another question. The Minister has indicated to us that under the left-hand column under (b)(1) and (c)(1) that there is a reduction showing staff that have been transferred out. Are we to assume that the \$287,200 in (d)(1) has those reductions from (b)(1) and (c)(1) added in?

**HON. J. PLOHMAN:** Yes, that is correct. Mr. Chairman, it is the reductions from (b)(1) and (c)(1) that form (d)(1). In addition to that, there is the provisions for five additional people.

**MR. D. ORCHARD:** In last year's Estimates, there was no Planning Branch, is that fair to assume?

**HON. J. PLOHMAN:** There was no Planning Branch as such, as a separate identify.

**MR. D. ORCHARD:** Okay, I think it's getting a little closer now. When you go from the left-hand side to the right-hand side, the increase is reflected not only in salary increases but in additional SMYs. But, am I still correct in assuming that the Planning Branch, as it is to exist in fiscal year 1983-84, does not yet exist?

**HON. J. PLOHMAN:** Yes. It does not exist as of today, March 31st. It will come into form tomorrow, April 1st is the new fiscal year. At that time, during the next few days, the branch itself will be set up.

**MR. D. ORCHARD:** Well, Mr. Chairman, can the Minister, as this happened last year, provide us with his SMYs throughout the Estimates on a nice little printout sheet, so that we can have it on file and follow what he's doing. We'll give him an opportunity to do that on Monday, we certainly don't expect him to do it in the next 10 minutes.

**HON. J. PLOHMAN:** Mr. Chairman, last year, the Design Services had 46 SYs in that branch and now there are 42. — (Interjection) — Mr. Chairman, I would like the honourable member to listen; he's asked this question five times, I've told him five times, he still doesn't understand it. I want to list out the exact number of SYs; I said how many were transferred out before, now I'm giving the honourable member the total numbers that were in that branch last year and this year - 46 last year, 42 this year. So, that's 4 from Design Services. I indicated that earlier.

In Project Management there were 21 last year, now there will be 15 in the new fiscal year. So that accounts for the other six.

The Planning Branch had zero last year, it will have 10 from those two appropriations this year. That gives you the complement of 67 last year and 67 this year.

**MR. D. ORCHARD:** I want to thank the member for his very good information on those three lines and can he provide us with a printout sheet on Monday that shows the other lines?

**HON. J. PLOHMAN:** Mr. Chairman, I'm not clear exactly what the honourable member wants. Does he want an outline of how many SYs in each branch? We've told the honourable member in my opening statement exactly how many SYs there are in the department; reduction and net reduction of 12 over last year, and we said where the changes were, in which branches there were reductions, in which branches there were increases. So I would like to know exactly what the honourable member wants on his nice neat slip of paper that he's talking about.

**MR. D. ORCHARD:** Well, Mr. Chairman, obviously the Minister had a nice little sheet of paper from which he collated those facts. If he could provide that to the committee, it would enhance the understanding of where his staff SMYs have been going, where the transfers are, where the increases are, where the decreases are. If he were to provide it and if he wants me to go through every line in the Estimate, I'll do it, but if he were to provide in every line, where it says Salaries, the SMYs for last fiscal, SMYs for this fiscal year.

**HON. J. PLOHMAN:** Certainly we can provide that information, Mr. Chairman.

**MR. CHAIRMAN:** 4.(d)(1)—pass; 4.(d)(2)—pass; 4.(e)(1) - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, in Land Acquisition there's often, I guess, cases that tend to get difficult to handle maybe for a number of reasons. But I've got a couple and I've been working with the Land Acquisition Branch to attempt to get something resolved. One, I'm most embarrassed to say, goes back all the way, I believe, to 1976. I didn't hear about it until about '80 or '81 and it still isn't solved.

This is a chap, Robert Shields is his name. His land was, I believe it was expropriated, but I'm not sure whether it was expropriated, but it was purchased for the redevelopment of No. 3 Highway through La Riviere. There's been an awful lot of back and forth stuff and I was trying to get it resolved, but unfortunately an election prevented me from doing that and — (Interjection) — No, no, this was in about '81 that he finally - yes, it's been going on since '76, it's been going on a long time, but he's been a patient man thinking he's going to get it resolved and he just come to me with it in either late '80 or '81. It's a complex one, I'll grant you, it's a complex one. I thought it was very close to being solved about a year ago and I contacted him again and it's still back and forth.

I wonder if the Minister might make an effort to try to take this one on and see if he can get it resolved, because it's going - I'm quite sure it's '76 - so that makes it seven years now, going on seven years. If he could take a look at that one and at some point in time just see if he can't get it resolved, get through the various paperwork and whatnot.

There's another one that I'd like to bring to the Minister's attention. It's an Edward Gordon McGill at Clearwater. I've been back and forth on this one a couple of times. It's land that was required for the redevelopment of - I don't have the number here - I can't tell you the P.R. number, but it's the gravel provincial road that goes north from Clearwater up towards Rock Lake. If the Minister could put a little spark under the negotiations here and get things speeded up, it would be greatly appreciated.

In general terms, does the Minister have - Oh no, I'm on the wrong line. The Minister might want to see if he could help with those two particular ones.

**HON. J. PLOHMAN:** Mr. Chairman, we'd be very pleased to take down that information from the honourable member and look into those two cases.

**MR. CHAIRMAN:** 4.(e)(2) - the Member for Virden.

**MR. H. GRAHAM:** Thank you, Mr. Chairman. I was away for a couple minutes.

Under the Land Acquisition, could the Minister give us a general rundown on the policy, or is there a policy in government in the acquisition of land for projects which may be several years down the road? At what time does the government move in and purchase land, or are they more concerned about putting caveats against the property for its future use? Is there a policy at all, or is it a case of treating each thing on an individual basis?

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. PLOHMAN:** Mr. Chairman, the Department of Government Services, through the Land Acquisition Branch, would respond to requests from individual departments, as they make known their requirements for land for projects that they are planning. We would react to those requests and try to achieve the results as quickly as possible.

**MR. H. GRAHAM:** Mr. Chairman, that does cause me a little concern because I'm sure if any department requires something, they will go to Government Services and say, get this for me immediately, even though they may not need it for 10 or 15 years. I just wanted to know if Government Services, in its operation, tries to evaluate each request, or do they themselves make any attempt at all at trying to evaluate the needs of the department, or do they just go out and carte blanche accept the recommendations from each department and try and implement it as quickly as possible?

**HON. J. PLOHMAN:** All new acquisitions, Mr. Chairman, have to, of course, get ministerial approval in the individual departments and also, new acquisitions have to be approved by Treasury Board before Land Acquisition, Department of Government Services, would act.

**MR. H. GRAHAM:** Mr. Chairman, can the Minister give us any indication then of how much land the province has acquired and then found out later they didn't have any use for it, and what attempts have been made at disposing of it?

**HON. J. PLOHMAN:** Mr. Chairman, we don't have the exact figure. I wouldn't have it available at this time, in terms of the exact figure, in terms of the number of hectares of land that have been purchased and that are then not utilized. I'm advised that it is a very small percentage of acquisitions.

**MR. H. GRAHAM:** Would the Minister have available an inventory of land acquisition that his department has acquired for various departments that still has not been utilized by those departments?

**HON. J. PLOHMAN:** Mr. Chairman, I'm advised we can get that information for the honourable member. It might take a little bit of time, we certainly can't get it today.

**MR. H. GRAHAM:** Mr. Chairman, I raise this issue because it is a concern to the people of Manitoba. I have had constituents who've had their land either acquired through expropriation, but it has not been used for the purpose for which it has been acquired and in some cases the government has owned that land for a number of years and there appears to be no attempt by government to utilize the land, and yet they are still sitting holding it. I think it would be in the interests of the people of Manitoba if the government would give us an inventory of that so that the people would know how much land government, in its contrived haste, has acquired and then found out that they didn't later on need it.

**HON. J. PLOHMAN:** Mr. Chairman, it's quite possible that there would be instances in Highways, for example, where there was land that was acquired and then the particular job did not go ahead and so that land is sitting, it may still be needed in the future. But we can identify those sections where that has occurred and how long it has sat there. I'm certain that this has been the case through several governments in the past, and what the honourable member is pointing out is a problem that he would like to see addressed at this time. It has built up over a number of years.

**MR. CHAIRMAN:** The time being 4:30, committee rise.

## SUPPLY - AGRICULTURE

**MR. CHAIRMAN, P. EYLER:** Committee come to order. We are considering the Estimates of the Department of Agriculture, Item 5.(h)(1) - the Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, I wasn't just clear at the adjournment of the committee that the questions asked by the Member for Rhineland were being addressed or taken as notice and that the Minister was going to respond at some other time. Is that what he's proposed to do?

The question is: is he going to deal with the questions of the Member for Rhineland now or at a later time, Mr. Chairman?

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, if the member recalls, I indicated to the honourable Member for Rhineland

that the report in conjunction with PFRA is in the process - those studies are in the process of being done, dealing with the Altona situation, and I indicated to the member that we'd send him, provided the copy isn't too voluminous, at least a summary of their recommendations in the report dealing with the water supplies as soon as we had it, at a later date, Mr. Chairman.

**MR. J. DOWNEY:** Mr. Chairman, I have very little more to deal with on this and I understand there were some questions the other night, specifically on the Roblin Irrigation Project, the effluent project, that in all reports that I have read, has worked very successfully. Is the Minister or does the Minister plan to implement or install any of these kinds of disposal systems in any other communities in Manitoba in the coming year?

**HON. B. URUSKI:** Mr. Chairman, I am advised that we need at least another year of practical application and analysis before we would be making those determinations as to how much further we'd branch out in these areas.

Mr. Chairman, while I'm on my feet, the Honourable Member for Turtle Mountain raised a number of questions prior to the lunch hour. I answered some of them, but I will go through his questions about the contract on ecological agriculture.

His questions were:

Who wrote the terms of reference? The consultant, V. Scott, along with members of staff developed the terms of reference.

Who is providing economic services? Economic services are paid for by the consultant, and the person working under the consultant is Michael Jansen. The contract and terms of reference were approved by Treasury Board. Support was received from many caucus members, including support received from individual farmers. The report is expected to be available within the next two weeks. Costs of the contract will remain as outlined, but the department is considering an extension of time to allow for collating and completing of the report.

**MR. CHAIRMAN:** 5.(h)(1)—pass; 5.(h)(2)—pass; 5.(j) Agricultural Crown Lands Branch: (1) Salaries.

The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, dealing with the Agricultural Crown Lands Branch, I want to have the Minister, if he is able to, justify how he was able to change the policy and advance the charges for Crown lands used through the Department of Agriculture, or administered through the Department of Agriculture, increase those rates without taking into account the returns that the cattle producers are receiving.

As well, Mr. Chairman, without adhering to any guidelines implemented by the Federal Government, the 6 and 5 guidelines, at a time when everyone in society is trying to deal with the tough economic conditions, admittedly by the Minister implementing a Beef Stabilization Program, and at the same time saying it is to help them on one hand, and then on the other hand he's going to take the money out of their pocket, and is not sticking to the kind of formula that's been

in place over the past many years; really removing from that policy of using the formula of returns to the cattle producers from the marketplace, and now saying that his objective is to recover the administrative costs for the province over a period of some three years, increasing it in some cases to some particular individuals by 30 to 70 percent on their Crown leases this one year with the objective of going to a 100 percent recovery within three years.

I, Mr. Chairman, would think that the Minister in his timing, and in his announcement, should have been more carefully put together. As well, Mr. Chairman, I have a question for the Minister of Agriculture. Why would he tell a group of ranchers in his own constituency, or in the Member for Ste. Rose's constituency, that he would have representation at a meeting of some 200 to 300 farmers that are concerned about the Crown land increases, and there was, in fact, no one from his office showed up?

I understand the director of Crown lands was at that meeting and I understand that the Crown lands representative from Dauphin was at that meeting. But, Mr. Chairman, I think the meeting were somewhat expecting a member of the Minister's personal staff, someone to bring a message back. I don't think it is the responsibility of the Department of Agriculture staff to go and defend the Minister politically. If that's what he thinks his department should do, then I think he is using them in an incorrect way. I think there was a clear understanding by that group of ranchers and farmers in his neighbouring constituency, if not directly in his constituency, to have had a representative there to bring back the message that they wanted him to hear.

Mr. Chairman, I don't see how the Minister can sit here and justify increases to the farm community in Crown lands when, in fact, he realizes or should realize the difficult times that they're having. The point I want to make, Mr. Chairman, is, now that he has changed his policy of charges on Crown land to saying that it is now the responsibility of the farmers to pick up 100 percent of the administration costs, how can he, at the same time representing that farm community, justify the kind of increased wages that he's giving to the civil servants who are getting a lot more increase than any farmer is through the returns of his commodities? Something doesn't add up, Mr. Chairman. I cannot understand why this Minister of Agriculture, at a time when the farm community is having one of its most difficult times from the recession, says that his policy is now to change and he is going to get a cost recovery for the Department of Agriculture over a three-year period and not taking into account the returns that those producers are getting for their livestock.

He cannot justify it, Mr. Chairman. He cannot justify it to this Chamber or to the farm community, and I say, Mr. Chairman, further evidence of that is in the fact that he was unable to attend - and I know that was the night that the House opened, but he didn't have anyone specifically representing him on a political basis from his office. He didn't have anyone there but staff to take the kind of guff that he should have been there to take, and the kind of criticism, is what I should have said, Mr. Chairman, which he or a representative should have been there to accept.

He wasn't able to go to that meeting because of the House opening. I was invited; I wasn't able to go, Mr.

Chairman. However, I can assure you that I phoned two people precisely to be there just to put forward or to bring back the kind of message that I felt was important. But he didn't have anybody there, Mr. Chairman; he indicated he would have, but he didn't have. And there is only one reason, I would think, why he didn't have - it's because he can't take the heat, Mr. Chairman. He can't take the heat or the criticism or, in fact, he can't justify the policy that he introduced for the renters of Crown land.

Is that the objective, Mr. Chairman? I ask the Minister, is it his objective, as a member of Treasury Bench, to have complete cost recovery through every department of government from here on through?

He is saying that the farmers who rent Crown lands over the next three years will have to pay the full cost of administration of the Crown Lands Branch. Is he saying that all his Cabinet colleagues from here on through have got the same policies? That every Minister is now going to make sure those people who use government property, that all those costs are going to be recovered by the use of those programs? Because that's what he's saying. I haven't got his press release here but I can get it pretty fast.

His press release stated that his objective, Mr. Chairman, was to get the cost recovery of the administration of Crown lands. It's a deviation and a change from the one that was in place, the one that was initially put in place, I believe, by their administration; it was carried on and there was a reimplementation of that during our term of office, but held steady because the livestock market didn't increase. But now he has deviated from that, Mr. Chairman, and he is just saying his present policy is to get the administrative costs of the Department of Agriculture back on Crown lands.

I don't think the farmers in Manitoba should be expected to do that, Mr. Chairman, particularly at a time when they're going through the type of economic recession that they are being faced with. I would ask the Minister to try and justify how he's been able to make such a policy change and if he is in fact going to have his other Ministers in the same Cabinet that he sits, have all departments aim towards that kind of a target, where all the costs of government are paid for by the users of Government Services, Mr. Chairman.

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, first of all I don't believe that the honourable member is fully aware of how the formula that is in place on Crown lands works and I won't even try to explain it to him, because I venture to say that he may not understand it. I am certain that he is unfamiliar with the workings of the formula.

Mr. Chairman, I should mention to the honourable member just to set the record straight about meeting with producers, a call was received by my office, Mr. Chairman, from the representatives of the Reeve of the LGD of Alonsa. At that time I was away - I did not take the call myself - the call was referred to my deputy's office, who informed the Reeve that there would be staff representation at the meeting, Mr. Chairman. In fact, I have to say and I have to admit that I was not

advised by my own staff - and that's a fault of my own - that that meeting was in fact occurring that evening, because the call was put through and referred through the office.

But notwithstanding that, Mr. Chairman, staff did meet with the farmers of the area at which time a committee was set up of producers and municipal officials in that area, which I had the occasion of meeting just the other day. We had a several hour meeting to discuss the whole issue of Crown lands.

Mr. Chairman, as a general policy, we have felt that the users of the service of Crown lands provided by the government should pay a fair share, not as the Member for Arthur alleges, a full share, but at least a fair share for the cost of providing that service. Thus, if costs go up, the fees charged for using this service need to increase as well if users are going to continue to pay their fair share of the costs of that service.

Mr. Chairman, Crown lands used for forage leases are the cheapest lands in the province for beef production. Fees for these lands have not increased since 1979, yet they are available to only a small number of beef producers in the province. About 18 percent of Manitoba's beef is raised on Crown land.

The cost to the public to provide these Crown lands have increased each year since 1979, thus, these farmers and ranchers - I have to say and they recognize it although I will discuss what happened at the meeting a little later on - are I would say, fairly fortunate to have the availability of Crown lands for them but they have had a significant break in their costs compared to the majority of beef producers in the province who do not have access to Crown lands.

For this reason, Mr. Chairman, it was decided to increase the forage lease rentals for 1983 and again in 1984 which would have farmers who use Crown land continue to pay a fair share for this use. As a result of this increase, the average cost to graze one cow on Crown land leases, if fencing costs are included, rose to \$17.84 in 1983, from \$16.17 in 1982, or an increase of \$1.67 per cow, or just over 10 percent. I use the word "average" advisedly knowing that there are areas of the province - and Alonsa happens to be that area of the province and some Northern Affairs areas - where the increases in percentage terms far exceeded the norm that I have talked about, Mr. Chairman. But this compares to an estimated cost of \$64.00 per cow for private land operators.

Since making this announcement, Mr. Chairman, a number of farmers and the committee - I met with the committee this week on Monday, Mr. Chairman - of producers from the area that the Honourable Member for Arthur mentioned earlier and my colleagues, the Minister of Municipal Affairs and the Minister of Public Works joined me in the meeting to meet with the delegation from that area. Although our regulations do not allow for a complete change in our formula until the establishing of rates before 1985, Mr. Chairman, in meeting with the farmers we have decided that we will set up a committee of producers around the province to review, not only our rate structure, our formula, but as well look at the relationships of Crown land lease rates to other lands in the other provinces.

Mr. Chairman, I should mention to the Honourable Member for Arthur, when we discussed the lease rates and the impact of the formula on specifically the area

that he commented on, Alonsa, the average lease rate in Alonsa came up to approximately \$10.19 a cow; it ranged from 9.39 to 10.19. But I want to tell you, Mr. Chairman, that in our discussions, the farmers indicated - and this came as a surprise to myself and to our staff - they said that the \$10 rental rate per cow was not exorbitant, but they felt that somehow those lands that they had under their jurisdiction could not carry the number of animals that they were being charged for, Mr. Chairman. That's what came out of the meeting. I said notwithstanding that, I asked them for their advice as to a makeup of the committee, terms of reference, and that we would be prepared to set up such a committee within a month to two months - I talked about a 45-day period - to see what kind of terms of reference could be developed and where we would go for 1984 and thereon.

Mr. Chairman, I did as well tell them that if there were recommendations, that the committee could come back with some recommendations that showed that somehow our announced increases for 1984 would be out of line, we would be prepared to hold those increases and review them for 1984, but the 1983 increases have and will stay, Mr. Chairman. We believe that in terms of the rates of Crown land, even in the areas where the percentage increases were of the 30 to 50 percentile range, the lease per cow in those areas is still the lowest rental rate on any Crown land in the province notwithstanding that rental rates for uses of private land or PFRA far exceed the rental rates that are charged on Crown lands.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, in reply to the remarks of the Minister where he says it's still the cheapest, I don't argue the fact that it is the cheapest, but one thing that I wonder is whether the Minister has been looking at what happens to people that have Crown land, that are leasing Crown land, because no services are provided to that land in terms of roads, drainage, dugouts, fences. All these things are the cost to the farmer. They pay their own shot on these things, plus having the concern that many of them have with a Minister like this.

The security of that kind of a lease is what bothers many people as well, which brings me to the question that I want to raise. What is the policy regarding the sale of agriculturally leased Crown lands at this stage of the game? The Minister saw fit right before becoming a Minister to take and cut it off, which was certainly not one of the things that he promoted during his campaign, or the members opposite promoted during their campaign, so he then saw fit to stop it and review it, and I wonder whether the Minister could now explain what is the policy regarding the sale of agricultural Crown lands at this stage of the game?

**HON. B. URUSKI:** Mr. Chairman, indeed I have to say that at least the Honourable Member for Emerson, for certain, doesn't know how the formula works and I'll leave him to figure that out for himself. The honourable member talks about services to Crown lands. If he would realize that within the formula, the rental rate to the farmers is decreased when municipal taxes go up, in

other words, for every increase in the municipal tax rate, the actual effective rental rate for cow goes down to the province.

Well, Mr. Chairman, the fact of the matter is, if there is a need for Municipal Services, it's incumbent on the Municipal Government to provide those kinds of services to the farmers. It is not provided through the rental arrangement on Crown lands, but that's where the problems in the formula are, Mr. Chairman.

With respect to the question dealing with the sale of Crown land, the sales as the member should know are handled by the Minister of Natural Resources through the Crown Lands Branch.

**A MEMBER:** Through your department?

**HON. B. URUSKI:** No, Mr. Chairman, not through my department. The member was here last year, they debated Crown land sales. Crown land sales are handled through Natural Resources. They are agricultural Crown lands because there are several categories of Crown lands that are and will continue to be sold. As well as agricultural Crown lands, there are the recreational lands, there are the industrial lands, there are the community development lands, there are a number of areas of Crown lands in which sales are taking place and continue to take place. But those sales are handled by the Department of Natural Resources.

**MR. A. DRIEDGER:** Mr. Chairman, can the Minister indicate how many applications have been received since November of 1981 in terms of people wanting to purchase agricultural lease Crown lands, and how many applications have been approved? Or have any been approved?

**HON. B. URUSKI:** Mr. Chairman, up until December 31, 1982, there have been 1,570 applications to purchase received from 991 clients; 1,060 parcels of land have been approved as being suitable for sale; 435 parcels of land have been rejected as unsuitable; 75 parcels of land pending Crown Lands Classification Committee for review, and of that 75, seven have appealed. There have been 934 parcels of land included in offers to purchase sent to clients. Of these offers, clients have agreed to purchase 679 parcels of land, about 105,000 acres.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. I appreciate the information. The concern I have is - maybe the Minister can correct me if I'm wrong - 934 offers were mailed and 679 picked up the offers to purchase, they went through with it, so we have I guess around 65 to 70 percent that picked up the options that were offered to them.

That makes it very interesting and I want to make some observation on that, why the other people that applied for the sale of Crown lands, why they have not picked up the option that was offered them through the government. I just want to express some concerns about that because some people throughout the southeast - and I'm talking of the area in Hadashville as well, going through all the way to the south to the border, that many people have applied, got their appraisal and they find out that the appraisal is

dramatically more than was previously to that, and as a result many of them have not picked up their options, that they wanted to buy it and they feel that the value is not there. I want to express some concern about the . . .

**HON. B. URUSKI:** Too high a price?

**MR. A. DRIEDGER:** . . . Yes, too high a price. Because the value of land in many cases, and I'm sure the Minister must have run into many situations where people have criticized the appraisal of some of the lands, because in most cases the Crown lands that are being leased are more marginal lands, very little of the land is a good quality land, and as a result the prices that have been assessed in some cases - and I beg to raise the concern about the appraisal practice that is being administrated at this stage of the game - and again why I am suspicious of that because this Minister, deep down he does not really support the sale of agricultural leased Crown lands, he does not. — (Interjection) — That is the case certainly. I know the Member for Wolseley is a professional on these things because she's got lots of Crown land in her area and she probably understands the concerns. But the Minister of Agriculture also lives in the area where there is a fair amount of agricultural leased Crown lands and this is marginal land in most cases.

The concern that comes forward from the people is that this Minister is not really in favour of selling it. He is pressed by his own people to continue with the program and as a result he uses the backdoor approach - I'm indicating what people tell me - and is assessing these lands at a relatively high value where people feel that it's just economically not viable to take and purchase these lands.

**MR. CHAIRMAN:** The Minister of Agriculture on a point of order.

**HON. B. URUSKI:** Mr. Chairman, does the honourable member know what the cost of Crown lands that are being sold, the value of those lands? Does he know? If he doesn't know, Mr. Chairman, he should not make the comments that he's making.

**MR. A. DRIEDGER:** Mr. Chairman, I will make those comments time and time again because I have correspondence that shows the value of appraisal when we were in government and the reappraisal that is taking place and I will forward this documentation to the Minister. He's had many cases and he knows of it too and this is exactly what has happened. The appraisals have come in higher lately and that is why we have a 33 percent rejection of the farmers that don't want to buy it any more. This is part of the concern that I have and basically it illustrates to people - urban members are saying, oh, big deal - it is a big deal out there to the farm community in the marginal areas where people would want to own this land and our government, when they were in power, finally allowed this land to be put on the market and there has been very good reaction to it. That is one of the reasons why this Minister has been compelled, even after the study that he did, and he feels compelled to continue with that program, but

he's using the other approach again like he does with his Farm Lands Protection Bill. He uses the backdoor approach, appraising it too high and as a result of that, that's where the problems come in.

I want to just reply to an earlier statement made to the Minister. I just want to indicate to the Minister some of the statements he made before in terms of the municipalities having to provide services. — (Interjection) — If the Minister wants to explain his situation, I'll sit down. In the meantime, I still have further questions and comments to make. Because when we consider LGDs for example like Stuartburn and Piney where over 50 to 70 percent of the land is not privately owned, which is Crown land and LGD vested land. It has a dramatic effect, the Crown lands sales policy, because farmers out there for years have been leasing. They would like to own this land. They'd like to buy that land. What has happened ever since the review, the appraisals are coming in higher. I'll illustrate it with figures if the Minister wants; I'll forward the information to him in terms of what has happened with the appraisals and that is why people are buying less and less. We hold this Minister suspect because of his feelings in the past, the government's feelings, in the direction that they've taken in the past. If the Minister says that the appraisals are not higher, I will sit down and maybe he can explain to me the relative ratio from what the appraisals were before compared to what they are now.

At a time when farm land prices are going down and he's going to control even the sale of those, restrict them further, hoping to bring down the sale of farm lands and the appraisals on Crown lands are going up, I'd like the Minister to justify why they are going up, or if he can't justify that, whether he'll then come forward and illustrate exactly what his policy is in future terms, in terms of selling of Crown lands.

**HON. B. URUSKI:** Mr. Chairman, I will be interested to know when it comes to where he's been in terms of where he will stand on the Farm Lands Ownership Bill, because if he thinks that these prices for Crown lands are too high when the average per acre sale costs, price received, is \$55 an acre to the Crown, we could be accused of giving that resource away in terms of the price received for the land. Now, the honourable member gets up in his chair and says these land prices are too high.

Mr. Chairman, does he know what some of the land has traded in his own area where speculators have come into his area and paid \$300 to \$400 an acre for lands in that area which are adjacent to the Crown lands? What does he think of those kinds of prices for farm land that he talks about now? Some of the difficulties that his constituents are receiving, are having now, with respect to the difficulties in farm financing are as a result of that kind of competition and high prices. When he comes here and complains that Crown land prices, when we've received an average of \$55 an acre for Crown land that has been advertised and sold, those acres that we've sold, Mr. Chairman, I really think the member doesn't know of what he speaks.

Well, Mr. Chairman, we have had a number of requests for unit transfers, in terms of Crown land unit transfers which are allowed. I want to tell the honourable

member that when it comes to the person who is transferring the land and the assets there, all of a sudden the values far exceed the values of the appraisals of Crown land that we've put on the land. When we come back and take an independent appraiser and review that appraisal and a difference of maybe \$50,000 or \$60,000, in some cases - I believe one of them was about \$100,000 difference - all of a sudden the Crown land is worth an awful lot of money, Mr. Chairman. Taking aside the capital improvements of the buildings and the assets there, the Crown land and the farm is worth an awful lot of money, but when you come to purchase the Crown land from the Crown it's too high priced, Mr. Chairman; \$55 an acre, average price return, is too high.

Mr. Chairman, I want to know what the honourable member will say when there are farm land sales in his own area near the Crown land areas where they have gone, as I've said, \$200 to \$300 an acre. That's why a lot of farmers, and some of his constituents, who had to compete with some of those kinds of sales, have gotten themselves into difficulty, Mr. Chairman. I don't believe, Mr. Chairman, if the member has some difficulties in respect to appraisals of development costs and the relationships to the end price, he should raise them, and that aspect of course is appealable, unlike previously. If a farmer does have a complaint as to the appraisal and the way the appraisal was determined, that question is appealable to the Crown Lands Classification Committee and can come to the Provincial Land Use Committee for the final determination. So there is a second avenue of appeal if the honourable member does have some specific cases where there is some disagreement, but certainly he can't come and stand in this House and say that Crown land, in terms of sales, is priced too high.

Mr. Chairman, you know, coming from their side, saying land should be on the market, whatever the market will bear, we should not interfere in those sales at all, philosophically, the Conservatives say let the marketplace take its course. But if it comes to the public, Mr. Chairman, the public should give it away, they should not receive their fair return. That's what the Honourable Member for Emerson is suggesting in his remarks. It's good to have the land sale go on the marketplace and let the market take its course, but when it comes to Crown land, the public should not get its return of what the market will bring, Mr. Chairman. That's what he is suggesting.

**MR. A. DRIEDGER:** Well, Mr. Chairman, the Minister is throwing up smoke screens here because I want to go back a little bit in history to the time when this previous administration was in power, when they were out buying farm lands, and in an area of mine where there was marginal land that was selling for \$20 to \$30 an acre, and this government that was in government at that time, came out and they were offering \$100 an acre to farmers to buy out the farms, they were using public money and as a result of that kind of policy, the prices have come up much higher than the value of the land basically is there.

When you consider the cost of development of these lands to brush this land, the stones, the marginal quality of land, and farmers are doing it - it is their basic policy



at one time when they still had the concept of the state farms, that's the time when they inflicted false prices on land. That is still relevant today to some degree and that is why the appraisals are coming in higher, because at one time land used to sell in my area to the southeast for \$20 to \$30 an acre.

The other thing, coming back to the improvements on land, the member says \$55 an acre, but we have the farmers that have put up fences, put up various improvements all at their own cost, and now when they want to buy it and it's part of their total operation this Minister says, hey, \$55 an acre average.

Well, there are parcels where there's \$100 to \$150 an acre for land that is so marginal that it would never pay to break this land. It is basically pasture land that he's talking of and it is with the farmers' improvements on there. The LGDs or the municipalities in most cases will not provide services for this kind of land because it is not their land, and in most cases, there are hardly ever dwellings on these places. This marginal land, and he's trying to compare to the open market values.

I'll tell you something - what he's trying to suggest - that it should be on a competitive basis in bidding for this kind of land. He's bringing in restrictive farm lands legislation to control the people that can buy land and at the same time, and this is what I indicated, his department or the appraisal department for Crown lands is upping their prices when the prices generally are going down in the agricultural community. If he manages, against our wishes and we'll fight very hard to oppose the Farm Lands Bill, the prices will be going down even more. But I suspect in keeping with his thinking that the farm lands, he's indicated today, at \$55 an acre, it's a giveaway.

Well, I can take him to many many of the people in my area that have Crown lands that they lease, that they would like to buy, and the idea, it all comes back to the philosophy of owning property. I like to own property and most farmers like to own property because governments come and go, policies change. They feel more secure by owning land and many of them are buying it. Most of those that have applied to buy feel very seriously that they want to own this land.

Here we have a Minister that has 33 percent of the price, once it comes forward, they reject it because the prices are out of line for the kind of land that is out there. He's using the yardstick of the public bidding, or the public system, where each individual can say, well, that land should be worth so and so much. He's restricting it on one hand and jacking up the price for Crown lands on the other hand. The Minister knows that he's got enough Crown lands in his area and he must be having the same kind of pressure out in that area, but he comes up here and he sort of puts up a smoke screen and will not admit to the problems that there are. I wish that he would, basically you know, come forward and tell us exactly how he feels about it.

His own people are the ones that are forcing him to continue the policy. They are. This Minister, the moment he got into office, he froze it, reviewed it, and the pressure from his own supporters is what makes him continue the policy at the present time. So then, as I indicated before, he used a backdoor approach and the appraisals come in higher, based on what he says is fair market value. Not so, not so.

## POINT OF ORDER

**HON. B. URUSKI:** The honourable member is suggesting that somehow I am influencing the value of appraisals on Crown land. He should be aware, Mr. Chairman, that there is a separate department in government that handles the appraisals. The appraisals, Mr. Chairman, are handled by Land Acquisition Branch. That is a reprehensible statements and I ask the member to withdraw that statement.

Mr. Chairman, I rise on a point of privilege. The member, in his remarks, has suggested that I am somehow influencing the increased values and escalation of values of Crown land, somehow that I have an aversion towards the present government policy of sale of Crown lands, Mr. Chairman. I ask the member to withdraw that. It is an unfactual statement and the fact of the matter is that there is another governmental department within government that does the appraisals of Crown land.

**MR. A. DRIEDGER:** It is my firm belief and I believe it, as well as do many others, that this Minister, his wishes and his desires and direction are reflected in the sale of agricultural Crown lands at this time, and I believe that he, either through indirect influence, his wishes are being demonstrated in this policy of selling agricultural farm lands.

**HON. B. URUSKI:** Mr. Chairman, I rise again on a point. The member hasn't withdrawn his remarks, Mr. Chairman. The fact of the matter is, the policy of sale of Crown lands, by and large, is the same policy after the review as it was before the review. There are some administrative procedures that have been enhanced, Mr. Chairman, in terms of the sale of Crown lands. I ask the member to withdraw that inference in terms of his remarks, Mr. Chairman.

**MR. CHAIRMAN:** The Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, I am speaking to the same point of order — (Interjection) — yes, the Honourable Minister is speaking on a point of order and the Honourable Member for Emerson is speaking on a point of order.

I think what the Honourable Member for Emerson is stating, he is stating an opinion - he said that several times, I believe, "it's my opinion - that this Minister is ideologically adverse to promoting the sale of private lands.

Certainly that was the record of the previous eight years of NDP administration that we had in this province. The sale of Crown lands only came into being during the four years of the last Conservative administration. I don't think he's necessarily suggesting that the Minister is individually exercising undue influence, but it is not unfair for the member to say that you have a problem with selling Crown lands to the private sector.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. H. ENNS:** Mr. Chairman, I believe the actions of the eight preceding years of NDP administration, of which the honourable member was part of, speak for themselves.

**MR. CHAIRMAN:** The Member for Springfield.

**MR. A. ANSTETT:** Mr. Chairman, there is no question that the Member for Lakeside is correct. If two members have a difference of opinion about what one government or another government chooses to emphasize in its policies or wishes to de-emphasize or pursues a policy enthusiastically and then suggests that another government isn't quite enthusiastic, that's fair game and that is a good reason for difference in debate. But, Mr. Chairman, the Member for Emerson specifically said that he believed the Minister of Agriculture was directly, initially, then later in a second comment, suggested that is might be indirectly, influencing the prices placed on the appraisals of Crown land which is going for sale.

Mr. Chairman, that's a contravention of our Rules, specifically Citation 316 in Beauchesne which prohibits, under Clause E of that, "imputing bad motives or motives different from those acknowledged by a member." I strongly recommend, Mr. Chairman, that the member willingly now withdraw that statement so we don't have to pursue the matter any further.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I think I emphasized it a few times. It is my opinion, it is my belief that has a bearing on it. I have never stated it as a fact, but I still believe it right now. That is my opinion. I have never stated that it was a fact. If I had a fact, I'd show it here right now, and I would ask the Minister to resign, but I believe that the Minister has an influence in terms of the direction in which his departments go. He obviously should, because if he doesn't have an influence on these things to some degree and if the Minister - as I indicated before, I do not believe that he is receptive to the idea of selling agricultural Crown lands.

I think that has been reflected in the type of activity that we've had through it, the people that have made application for sale, the people that have finally rejected it. Because there has been a change in direction somewhere along the line from the time when we were in government, because that is shown by the number of rejections that there are for the prices that have been submitted. I did not indicate that as a fact. It is my belief and I stick to that.

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

**HON. B. URUSKI:** Mr. Chairman, while the member might believe what he wishes to believe and state that, but the implication was that I, as Minister of Agriculture, had and placed undue influence on the evaluation of Crown land. That's what I am referring to, Mr. Chairman, and I have stated in this House that the setting of values of Crown land is set by another department of government, the Land Appraisal Branch of the Department of Government Services, not under the jurisdiction of the Department or the Minister of Agriculture.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, if we're speaking to a point of order or a point of privilege, I would just

like to suggest that it would appear to me that the Minister is sitting on an appeal board of government, he and the Minister of Natural Resources and possibly one other Minister, but they are the last body of appeal, Mr. Chairman. If the farmer is going to buy more than 960 acres, he has the decision-making power to stop that sale. He is in that particular place. If the value of the land appears to be rightly or wrongly, he is the last body of appeal that makes that decision, Mr. Chairman.

What the Honourable Member for Emerson is saying is that there is strong evidence in the policies . . .

**HON. B. URUSKI:** What is the evidence?

**MR. J. DOWNEY:** It's an opinion, I should say; I withdraw the fact, evidence. He said that in his belief that there are strong feelings, that he has strong feelings, in his opinion, that this Minister through influencing of the operation of his department of government is not encouraging the sale of Crown lands. That is as I understand it. The Minister is the last - he's on a committee who is the last member of appeal on the size of Crown lands - in fact, we'll get into that after we finish this point - size of Crown lands. I'm sure that if there is a parcel of land that is out of line in price, I'm sure the Minister has say on that. In most governments, they would have.

To deal specifically with the issue that the member raised, he said, in his opinion, first of all, and to substantiate what he said, this Minister froze the selling of Crown land. That's pretty evident that there was some question whether he wanted to carry on with it or not, Mr. Chairman, and he put some restrictions onto the amount of land that was being allowed to sell and, in fact, there is some concern that they're going to sell too much through this policy change, and the Minister saying, in his opinion, they really don't want to sell it anyway and it could be reflected in the pricing policy.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I think we could probably clarify that to see whether I was erroneous in my thinking, because what I would then like to do to pursue this, if the Minister wants me to retract that kind of implication, before I do that, I would want to know and have copies of the appraisals that were done prior to the change of government and the change of the policies or the change in appraisals after they took over. If that is the case, then I would like to ask the Minister to provide me the information of the appraisals of agricultural leased Crown lands that were applied for, and then let's see how many changes there were in the appraisals after that.

**MR. CHAIRMAN:** The Member for Springfield.

**MR. A. ANSTETT:** Mr. Chairman, to the same point of order. The Member for Emerson has now, perhaps in a roundabout way, admitted that he doesn't have any evidence. He's asking the Minister to provide evidence to his unsubstantiated charge that this Minister has used undue influence in determining what the values will be upon Crown land parcels that are being offered

for sale. Now, Mr. Chairman, the member makes a serious charge. He has an obligation under Citation 316(e) to withdraw that charge, or to provide evidence.

Now, Mr. Chairman, I will make him an offer. If the Member for Emerson believes he has evidence and is prepared to table it in this House, I will second a substantive motion made by him, to refer that evidence to Privileges and Elections. If he cannot do that now, he has an obligation to withdraw now. When he has the evidence, he can show it to me and I'll second his motion, but today either table the evidence or withdraw; he has a choice.

**MR. H. ENNS:** Albert, I think they got you on 36.(1)(b)).

**MR. CHAIRMAN:** Are there any other members who wish to speak to that point of privilege?

The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I believe it is my right in this House to express my opinion, as I see it, and I did not indicate it as a fact, it was an opinion and I will stick with that opinion and I will try and get the facts, if I can, but I have to have the Minister's support in trying to get that information. I've asked him for that support; I've asked him for that information as to the amount of appraisals. If he gives me that information, if I am wrong in my personal opinion, then I will withdraw.

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

**HON. B. URUSKI:** Mr. Chairman, I've allowed a lot of comments in this Chamber to go a long way. I have made some bad statements and I've apologized for them, Mr. Chairman, but the inferences of the honourable member surely cannot be left on the record. I've explained the system of how the evaluations are arrived at. The honourable member certainly will have his time in this Legislature, two or three years, as long as this Legislature sits, to make his allegations as to our not wanting to sell Crown lands and the like.

I accept that, Mr. Chairman, but the allegation that he has made is unsubstantiated and it is untrue, and it is unfair to myself, and it is unparliamentary, and it would be unfair to him if he was sitting in this Chair, and I ask the honourable member to withdraw that reference.

**MR. A. DRIEDGER:** Well, Mr. Chairman, in all fairness, what I will suggest then, I would like to read the remarks as I made them, once Hansard is out, and I will check. If those remarks are unparliamentary at that stage of game, I will get up in this House and I will withdraw, but until I've had a chance to see exactly what I stated in my remarks in Hansard, then I would want to leave it the way it is. If I am wrong, then I will make a withdrawal in this House.

**MR. H. ENNS:** That sounds pretty reasonable, that sounds pretty reasonable.

**MR. CHAIRMAN:** Order please. Order please.

I believe that the issue here is whether or not the Member for Emerson is expressing an opinion he has repeated on many occasions in this debate on the particular point of privilege, that it is his opinion that such is the case. The issue is whether he was making a substantive charge of impropriety and he has stated that it was an opinion and not a charge; therefore a difference of opinions between two members is not a point of order or a point of privilege.

The Member for Lakeside.

**MR. J. DOWNEY:** There's a man that can make a decision, he knows how to make a decision.

**MR. H. ENNS:** Thank you, Mr. Chairman. I enter the debate on the question of Crown lands with some hesitation and I acknowledge immediately, of course, some particular interest in Crown lands as being a lessee myself. I expect anytime now to get — (Interjection) — That's right. I expect anytime now to get from the Director of Agricultural Crown lands my notice that once again I'm in arrears, but I will nonetheless put it on the public record that I will attempt to catch with those arrears, but nonetheless, having said that, I now at least feel clear to speak.

Mr. Chairman, what I would like to tell the Honourable Minister of Agriculture, as a former Minister of Agriculture, also as a former Minister of Natural Resources, and a former Minister of a few other departments of government; what concerns me a little bit about the issue that we're talking about; namely, the rise and the recovery of administrative costs, which in itself is an understandable, perhaps even a laudable goal is that the Minister of Agriculture sits, as one of many around that Cabinet table, and one of the biggest jobs that he has is not to allow the others around him to push his department around, or to ask his department to do something that other users are not expected to be done to them.

Mr. Chairman, I know for instance in the Department of Natural Resources, that we're dealing with the same Crown land. The Department of Natural Resources, even with the present 16 percent increases in cottage fees, or something like that, tries to collect some 25 percent of the administrative costs that the taxpayer of the government has in running the provincial park system, for instance.

Now if we ask from our people that use Crown lands for leisure purpose, for leisure, we ask them to contribute 25 percent of the administrative costs, I simply want to - and I say this as an ally of the Minister, not as an antagonist in this instance - I simply say, don't be stampeded too quickly by either your own good bureaucrats - and I think this whole thing started when Cliff Cranston got into this organization at the level that he's now in - and don't be stampeded too quickly into looking for 100 percent recovery. Because, Mr. Chairman, we don't ask those people that use Crown lands to boat, swim and enjoy the nightspots that we have in the Whiteshell or in other provincial Crown parks. We're only lucky, we're trying to, with the announced increases in cabin rentals, in cottage rentals, we're only trying to recover in the Department of Natural Resources some 25 percent of the administrative operating costs for parks.

So, Mr. Chairman, I'm trying to be helpful to the Minister. I'm saying that when you put on a scale of relative use of Crown land, the use of Crown land that ranchers and farmers make of it in the production of food in this country, in the maintenance of a viable cattle operation in this province, then, Mr. Chairman, I think the case can be made and can only be made on that basis. I'm not questioning the fact, Sir, that these costs are there.

I sometimes wonder, as I used to wonder when I was Minister, whether it was in Natural Resources or in administration. The farmer or the rancher, of course, does not necessarily have too much say as to what kind of administrative charges are legitimately charged against that land that the Minister is attempting to recover the costs thereof. But I simply put on the record and for the Minister's future consideration, we do not necessarily charge the user of a particular service the full load.

We certainly don't attempt to do it in our health care systems. In our health care program, we say, hey, we'll all pay; we'll all contribute. I'm sure this government would be the first to object to, for instance, putting in a deterrent fee, somewhat of the like that Alberta just introduced in terms of hospital care, or a deterrent fee to use as a Medicare services. — (Interjection) — No, they are the users. We're talking now about making the users of Crown land pay the full shot.

**HON. B. URUSKI:** No, a fair share, I never said a full shot.

**MR. H. ENNS:** Mr. Chairman, I do read the Minister's press releases. I actually think that next to some other important people in my life, anything that comes from the Minister of Agriculture is very close to being the gospel.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. H. ENNS:** The Minister, I'm sure said, when he indicated in a press release the two-tier increases in Crown lease costs, that the goal was to recover administration costs — (Interjection) — to meet costs. Okay, I don't want to be called out of order, but certainly to me that means the same thing, to meet the administration costs means to cover the administration costs.

I am simply saying to him, Sir, that his colleague doesn't attempt to do that in Natural Resources for those who use Crown lands for leisure in the parks.

**A MEMBER:** They raise park fees every year.

**MR. H. ENNS:** Right, but they are still only recovering 25 percent of the administration costs of parks.

**HON. B. URUSKI:** Is that what you're saying it should be for Crown lands?

**MR. J. DOWNEY:** Mr. Chairman, I am not saying - the people of Manitoba threw me out of office so that the Honourable Member for St. George could occupy that Chair. It is not for me to tell the honourable member what. But, I feel compelled, Mr. Chairman, to lend my

wisdom and experience, painful as it sometimes is, to the deliberations of this department, one of the favourite departments of mine in government and the greatest departments in government, to let him know that he shouldn't let his bureaucrats stampede him into full recovery necessarily, unless other colleagues of his are prepared are do the same thing.

So, Mr. Chairman, I say this with the kindest of good wishes to the Honourable Minister as we approach the Easter weekend, that he should contemplate about that. I note with some satisfaction that he indicated that he is at least prepared to think and review the situation before the 1984 increases are automatically put into place. I would ask him to remember these few comments and simply challenge - I don't expect him to do this, Mr. Chairman, in the House, I don't expect him to respond to me necessarily, but I do expect him, around the Cabinet table before his urban colleagues pressure him into saying, hey, those farmers are getting too much of a free ride, let's get them to pay for 100 percent of the administration costs of Crown lands, when these same urban people who like to go to that Crown land just adjacent to it, except that it's a little rockier or something like that and we have to put in docks and we have to provide garbage pickup and we have to provide electricity, a lot of things that we don't provide on rural agricultural Crown land, and we only expect 25 percent recovery.

I am simply giving the Minister a bit of ammunition that he can use with his colleagues when next they meet on this issue around the Cabinet table.

**MR. CHAIRMAN:** The Minister of Municipal Affairs.

**HON. A. ADAM:** Mr. Chairman, just a few comments in regards to comments made by the Member for Emerson. I suspect that the members opposite are trying to leave the impression that the government does not want to sell Crown land and doing it reluctantly. I think that's the impression I get from the comments made.

My recollection of events in the past number of years was that I would believe, at least two years prior to the change of government in 1977, that there had been negotiations taking place with the LGD's, Local Government Districts, for transfer back of lands that they wanted to sell. There had been negotiations taking place for at least two years. Those negotiations were just about completed or completed when there was a change of government back in 1977. The government carried on with the same policy that we had initiated, probably in 1975 or begun thereabouts.

I want to say that during the years of office that honourable members were in government that they brought in a policy that would require the tendering of those Crown lands, that they had to be sold by tender. I'm sure the Member for Lakeside remembers that. He was in government. Perhaps the Member for Emerson wouldn't know, but I am sure the Member for Lakeside would be aware that the policy was brought in that those lands could only be sold by tender and that there would be a certain interest rate involved. The interest rate had to be 16 percent, 17 percent, 18 percent that the farmers would have to pay in order to buy that land. So I just wanted to set the record

straight. That policy by the way, to be fair, was unencumbered lands, not lands that were leased by some lessee, but lands that were unencumbered.

I'm sure that some of the - we have received complaints and the Member for Emerson, I believe, has brought that to our attention as well, that there was a problem of policy that was brought in by those people when they were on this side that the Member for Emerson objected to.

**MR. H. ENNS:** Don't just refer to us as those people; refer to us as that great government.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, the Minister of Municipal Affairs has offered some comments here and I just want to clarify it on the record. The policy that was brought forward in terms of tendering for these lands related to LGD vested Crown lands, it did not relate to agricultural leased Crown lands. There is a big difference in that, because the LGD vested Crown lands is a different category, we're talking about the agricultural leased Crown lands. That makes a big difference in the terms of the selling procedure. — (Interjection) — Yes, it does.

**MR. CHAIRMAN:** The Member for Roblin-Russell.

**MR. W. MCKENZIE:** Mr. Chairman, I just have a couple of problems with the forage Crown lease and it's with the figures, the statistics. The Minister, in his statement, says they're up 25 percent for '83, as I understand it. There's an increase of approximately 25 percent. I have farmers tell me it's as high as 58 percent and our friend Sigurdson from the Interlake says it's 38 percent and that's the problem again I have with statistics. We seem to have it almost every day here to get the facts and the figures on the record.

I'd also like to know if the Minister could give us a list of the services that his department provides on these Crown leases? What services do you provide to the leaseholder?

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

**HON. B. URUSKI:** Mr. Chairman, to answer the member's question about lease rates. Any lease rates that have increased over 50 percent, in terms of the actual cost, would be as a result of increased municipal taxes and/or any change in the caring capacity of those Crown lands, as I understand it, animal unit months, in terms of caring capacity. That would be the changes.

Mr. Chairman, while members speak about what services are provided, I want to make a few comments to the Honourable Member for Lakeside, and I appreciated his comments, his assessment, his encouragement and advice in this area, but I know while one can take that kind of an argument about the availability of services, and making sure that everybody pays the cost, I accept that if everyone in the province were and could have available to them these Crown lands, as they are available in terms of going to parks

and those kinds of Crown lands because those are accessible and available to all.

Mr. Chairman, only a small portion of our farming population does, in fact, have access to and the availability of Crown lands, and I accept that. That's not to say that we should overcharge people using the Crown lands, that we should just burden them with the full cost. Far from it, Mr. Chairman. The administrative costs of Crown lands is around \$1.5 million, Mr. Chairman. On top of that there is made available to farmers for developmental purposes, \$800,000 annually in terms of clearing and the like for Crown land improvements. Our revenue is only about \$800,000 in terms of annual revenue with this increase, Mr. Chairman, that's all that we're getting back.

So, if we were going to charge on a full cost recovery basis, then I could see the honourable members getting up and saying, look you're overdoing it. Nevertheless, Mr. Chairman, I've stated that we don't want to go too far away from the historical relationships of what we charge for Crown land and what the charges are for other lands of like and similar use, to look at that relationship, how it is carried on for a number of years and see what that relationship is and to review the formula. Because there's no doubt, when the municipality increases its municipal tax rate to provide, or at least to attempt to provide for the services, the honourable member should be pleased that those Crown lands should be placed on the municipal tax roll, so that Crown land user would have equal opportunity to go to his council and say, look I am paying the municipal tax rate in this LGD and this municipality. I want to receive services that other taxpayers in this municipality are receiving and not as he has suggested earlier to say, look remove these lands out of the area but still give us the services for those Crown lands. He should be saying, look, put them on the tax rolls and I want, as a taxpayer, to pressure my council to receive those roads and those drainages and access to those Crown lands that they deserve and I believe they deserve those kinds of services, Mr. Chairman.

One thing I didn't tell the honourable member in the flight of his remarks and we will check Hansard for his statements, Mr. Chairman, as to why people may not be accepting the purchase of Crown lands so readily. Does he realize that the lease rates could be that attractive, that in terms of the cost benefit analysis, it may be cheaper for that farmer to lease? It may be just that one little item; that it may be cheaper for that person to lease that land and pay the going rate on those animal unit months, because when he figures out the interest rate and the value of that land in the area, if he figures it out on his costing, it may be far cheaper for him to continue to lease those lands. Maybe that didn't enter the honourable member's mind at the time he was making those great charges which we will examine, Mr. Chairman.

But to the Honourable Member for Roblin, I have told the honourable member what is available to Crown land users. I should also mention to him, Mr. Chairman, that we have done some work with farmers in areas on the use of Crown land, the improvements that can be made and the value of those improvements in return benefits to those farmers, Mr. Chairman.

We've done some comparisons through an Agro-Man project in the West Lake area of the province, in

Eddystone and West Lake. There were three analysis made and I will give them to the honourable member. We did some work on a pasture where aerial spraying had been done to kill the growth of trees to try and improve the caring capacity and the pasture quality - it was done a number of years ago.

We analyzed a second pasture dealing with mechanical, the normal clearing of bush, cleanup and the like. We analyzed those two versus an unimproved pasture. Mr. Chairman, in terms of the work that the farmers in that area did in analyzing, they came out with a value of production based on the number of head that were pastured, the weights of the animals, the ending average weights of the animals, the average gain per head, the average daily gain, and the total amount of beef produced per pound and the value of that production.

Mr. Chairman, on the pasture where the trees were removed by spraying and the mechanical clearing, they were very close in terms of the improvement of the pasture land and the ability of the number of animals to be raised. The value of that production on the aerial sprayed one was \$13,582; on the pasture which had the mechanical clearing, \$13,802; and the pasture where there was no clearing at all, the value of the beef produced was \$6,154, Mr. Chairman.

When we talk about the pure economic results, the benefits to the producers, after we take off the value of the production, we remove from that the actual operating costs of those lands, the fertilizer and all the input costs into improving those pastures on both the mechanically and other cleared pastures, there was a return of over \$5,000 for each of those pastures, and on the pasture that had no improvements to the farmer, there was a net benefit of \$236, Mr. Chairman, a substantial difference in terms of the use of Crown lands and the proper use of Crown lands and the further development which we want to encourage. We have not reduced our budgets there, we want to provide that incentive for farmers to improve their Crown lands and that is our intent.

Mr. Chairman, there are many farmers that hold very large tracts of Crown lands and I think if you really sat down with each one of them and discussed it with him, rather than in a crowd, they would admit to you that, look, I'm really running around such a large area it doesn't pay me, my costs are too high, I probably would be better off if I did a better job on a smaller piece of land and made the proper improvements, got the benefits of that forage and grazing land, my costs would go down in my total operation, and I would not need the large tracts of land that I am now holding.

Mr. Chairman, historically, the mentality of farmers in those areas, and you know it's a historical thing and I accept that, they have said, look, we've had cheap grazing, the Crown lands were there and we're going to continue to use them in the same way as we have in the past, notwithstanding that it really does pay to improve Crown lands, and we are going to move along that line to try and encourage the producers to do it. But we do believe that there should be a relationship of lease rates.

I think the Honourable Member for Portage would get up and say, look, the lease rate for grazing in my area are far higher than lease rates in Crown lands in some other areas for the same quality of land and we

know that the average costs of those lands are roughly \$60 per animal, in terms of grazing, and where they're in the \$10 to \$15 range on agricultural Crown lands, Mr. Chairman.

So, we are concerned about the increases and the impact on those farmers, but we believe that a review has to be undertaken of the formula and the lease rates and the historical relationships between Crown land leases and other lands as well as equitable treatment of our producers.

**MR. CHAIRMAN:** The Member for The Pas.

**MR. H. HARAPIAK:** Mr. Chairman, I was just going through the allocation of agricultural Crown lands, the point system, and it seemed that the point system is weighted to the people who are already well established in a farming operation. You'd almost feel that Conservative philosophy is in place here where they feel that bigger is better. I don't think that a younger farmer has any possibility of getting into the Crown lands at all, and I think that we should be looking at that system to make it possible because there are many farmers, I know, in the Swan Valley, in The Pas area as well, who have gotten themselves established in the farming by holding a regular job and supplementing their farm income and then eventually winding up being full-time farmers.

So, I think we should be looking at the point system to give the younger farmer more of a break in getting into farming by getting some agricultural Crown land leases.

**MR. CHAIRMAN:** The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman. I wanted to mention Crown lands in just a little different context. I've had people from my constituency ask me what the policy is of this government, for instance, on buying Crown land that they would like to use for a wood lot, since a lot of people are going into alternate fuels and some people are interested in buying a small portion of Crown land in order to cut fuel. What is the government's policy on that type of thing?

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, we do not handle those kinds of requests in our section, but what I could mention to the honourable member, I do know that there are permits available for the cutting of wood on Crown lands through Natural Resources. I should mention that we have attempted, in our Crown Land Improvement Policy, to try and tie in when there is a fairly good stand of wood lots being cleared by farmers, that possibly before the trees are piled that some notification in an area is given so if we can make those kinds of arrangement of blending the farmer with someone who might want to use that land and to take out some of the good stands of bush once they've been knocked down, we try and accommodate that. It isn't easy and I would have to admit that there are areas of the province, including my area, because they're away from the large urban setting that people don't want to avail themselves as readily as that to drive out

that 100, 120, 130 miles to, in fact, do that cutting and picking up those trees. But that's a policy we are still pursuing and seeing whether or not we can match the two.

There is no policy for the sale of Crown land strictly for the purchase of wood lots. I don't believe that Crown land is available to be sold for the purchase of wood lots. There are cutting permits that are issued in terms of cord wood, soft wood and hard wood permits, and there are timber sales that are made by Natural Resources in areas where timber is harvested, but in terms of actually selling the Crown land for the purpose of cutting; no, there never has been, I don't believe, any such a policy.

**MR. DEPUTY CHAIRMAN, Harry M. Harapiak:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, the Minister indicated there was some \$800,000 for Crown land clearing this year. Is he planning to increase that next year to substantiate his argument that some farmers would sooner intensify Crown land use and make it more productive than use large acreage? Has he got more money available for this coming year to support his policy?

**MR. DEPUTY CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Deputy Chairman, the amount of money that's in the Budget this year is the same as last year in terms of the actual Crown lands. There is consideration that we may be able to - and it really depends on the projects that we end up this year under AgroMan - there may be an opportunity of doing some work in that area as was done in the southeast corner of the province.

**MR. J. DOWNEY:** There are two areas that I'd like to deal with and probably the Minister could shed some light on it, what his belief is and I'm glad the Member for The Pas is here to listen, because for some time there has been a desire by the people of The Pas area to increase the agricultural base to expand the Town of The Pas so that the people there, who now are farming, could enjoy the services of farm machinery dealerships to expand the base of the agricultural community so that they could increase the size of their town and truly become an agricultural centre.

It's been somewhat controversial, the particular area that I'm talking about, the Saskeram area which has been within the jurisdiction of Agriculture through the Crown lands section and particularly has been off limits for the past quite a few years, and I don't think there is any reason not to debate it at this time, because I think it's going to be an issue that the Member for The Pas is going to be sitting in the middle of, it's going to be a responsibility of the Minister of Agriculture, it's going to be a responsibility of the Minister of Natural Resources. We're all aware of the fact that the Saskeram lease with Ducks Unlimited is due to be signed this coming July, that their long-term agreement has run out and I am wondering what the Minister's position is on the signing of this lease. Is the Minister of Agriculture going to support the Member for The Pas

in suggesting - the Member for The Pas can speak for himself I would hope and I would hope the member would appreciate the desire, the Minister would appreciate the desire - that as well as all the other claims that are on the land, that a working agreement whereas some of that land can be used for agricultural purposes.

I would certainly, I'm not putting words in the mouth of the Member for The Pas, but I would hope the member would be prepared to stand up and fight for the farm community and put together a policy and a program for the different groups, the native groups who enjoy the use of the Saskeram, the wildlife people, and as well the farm community.

Is the Minister of Agriculture supporting the Minister of Natural Resources, or is he prepared to support the resigning of a long term Ducks Unlimited lease as is not in place, Mr. Chairman? That's the question to the Minister of Agriculture. Or is he going to try and endeavour to spring some of that land free, so that the farm community can use it to expand their base and expand the Town of The Pas, Mr. Chairman.

**MR. DEPUTY CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, I want to tell the Honourable Member for Arthur that both I and the Minister of Natural Resources fully support the Member for The Pas in all his efforts and his endeavours in terms of trying to represent the people of The Pas area to the best of his ability.

There's no doubt, Mr. Chairman, that the issue dealing with land use is one filled with conflict and has been for a number of years. The former Minister of Agriculture well knows what he got himself into.

**MR. J. DOWNEY:** What they got me into.

**HON. B. URUSKI:** That's where he is now, Mr. Chairman, that's why he's on the other side of that House, part and parcel of some of those reasons may be there.

**MR. J. DOWNEY:** That's maybe why you are going to be there.

**HON. B. URUSKI:** The honourable member should know that one of the priority areas that has to be dealt with prior to, I believe, any finalization of land settlements anywhere in the province is to deal with the Native land claims that are still out there and not settled, Mr. Chairman. That is probably one of the major areas that has to be ultimately dealt with.

In the area that the member speaks of, the development of agriculture can basically go two ways. Yes, it can in the area and maybe it should both ways, both into the wildlife management area further, or the further development and additional development into the Polder III area in terms of the further opening up of agricultural land away from the wildlife area.

Mr. Chairman, there are a number of options under consideration and discussions as to whether the area now being used for agriculture shall remain, and an area that is under discussion as to whether the wildlife management area be expanded might be put into a

review process to do some of the studies, and the concerns that have been raised by both the Wildlife people and the Native people in contrast to what farmers have said in the area. There may be some compromises open there, but that's a process of review and determination and it will not be settled here in this House or shall we say, if I put it in layman's terms, tomorrow, so to speak.

**MR. J. DOWNEY:** Well, Mr. Chairman, I appreciate the difficulty the Minister has with that particular issue and that's one of the reasons I wanted to bring out, because I think the public should be fully informed as to what this Minister of Agriculture's position is, what his government's position is, with that use of Crown land. It's 100,000 acres, Mr. Chairman.

I will say I give credit to my colleague, the Member for Lakeside, who is a former Minister of Natural Resources; to the former Premier, the First Minister of the Day, where we established a working committee of all groups, Mr. Chairman, to come forward with some recommendations on how everyone could share equally and co-operatively, because the Minister indicated that there are several interest groups. The Member for The Pas will, I'm sure, substantiate this if he is given the chance, that there were many difficulties with those different groups even sitting down to talk, even to negotiate how they felt it should best be used.

I think that was a giant step forward, put in place by my colleague, the Minister of Natural Resources, and I would hope the Minister and the current government are now using that committee. I would like to know who is involved in the committee, whether there is fair representation from all groups, and I want to ask the Minister if he would continue to use that committee to work out at a local level some of the problems that haven't been able to be worked out by staff from the Department of Agriculture, staff from the Department of Natural Resources, and by the politicians.

I do think it's important that local input, that grassroots input from all groups be brought onto the table by that committee and settled to the best degree possible at the local level. But I do raise this at a very important time, because, you know, we're now faced with April, May, June, three months, Mr. Chairman, and then that agreement will end, the long term agreement will end.

I appreciate what the Minister said, that Polder III could be developed; we were working to develop that again; the former Minister of Natural Resources was working with this department and Water Resources, committed to development of those extension and expansion of those Polders. A good idea, I have no problem with that, Mr. Chairman, but I do think that there is a tract of land, and we know that it's a rich agricultural capability, we know that it's a delta formed over many years, and I'm sure on a personal investigation I could point out that there's several feet of alluvial topsoil which is some of the best there is available for growing of crops anywhere.

I appreciate the difficulty that the Minister has politically, and the member has politically, but they've got to run, they've got to take their responsibility and deal with the issue.

I want to know, is the Minister going to continue to use the local committee; is he going to allow a resigning

of the Ducks Unlimited lease; or is he going to try and expand the agricultural base through the expansion of that wildlife management area?

He is the Minister of Agriculture, he is to represent the agricultural community of The Pas as well as he represents it anywhere else in the province. He has to make sure that fair play and fair negotiations are carried through. He has to develop the agricultural policy for The Pas and for the farmers.

Now I would hope, Mr. Chairman, that takes place. I would hope that he doesn't back down to strong pressures that would not be in the best interests of the three groups, and I say that. I'm not, Mr. Chairman, here saying that one group should have an advantage over another, but what I'm saying, you're talking in excess of 100,000 acres, that there is going to be a lot of pressure on the different groups, the different Ministers, to have it all for one, and I think that there's room here to set an example of how the three groups in the society can come forward and put a proposal forward that would be acceptable.

The Minister uses an example. He said, that here we are sitting on this side because we weren't able to deal with it. Mr. Chairman, that could be the reason why the Member for The Pas won't come back to this Legislature after the next election if it is not handled properly.

No, Mr. Chairman, he, I can tell you, is very aware of the politics of the handling of that properly, as is the Minister of Agriculture who hasn't said one way or the other who he supports; as is the Minister of Natural Resources who hasn't come forward and made any clear statements on whether there will be a re-signing. I know how politically sensitive it is in that particular area. We all know how it is and it may be, Mr. Chairman, that it may reverse. It may be the one issue that puts us on the other side of the House, back in government, and he and his colleagues on this side, if any of them are fortunate enough to get back in.

So he's got it turned around, Mr. Chairman. It is not a matter of that putting us over where we're at. It's a fact that it could help them come back over and be members of the opposition. So that's how tense it's going to be for that Member for The Pas. That's the kind of issues that he is going to have to be able to make decisions on and live or succeed or fail by them. We are going to be continuing to press. I'm going to be continuing to press to make sure that fair play, and I say, fair play or fair use is made of the resource.

The Minister, I know, doesn't feel free at this particular time to state his policy. He's going to have to, Mr. Chairman, because in negotiating a large-term agreement, it takes quite a bit of planning and information available.

Another particular issue - and I don't want to take a lot more time on this particular section, Mr. Chairman, but it is important - it's important to the overall agricultural base in Manitoba. That was, when we were in office we started a study of Northern agriculture dealing with, I believe, there were several millions of acres of identifiable land or land identified for agriculture potential production in Northern Manitoba, I think basically some six million acres. The Minister has dealt with it and if he has, I will — (Interjection) — Well, if it's been dealt with, Mr. Chairman, then I will not, as I said, take a lot of time. It is a major piece of land;



it is a major part of the province, a major thrust for Manitoba.

We talk about large projects or large developments that could take place to give an uplift or to bolster this economy. Talking about six million acres that could be put into agriculture production in the Northern part of this province is pretty significant when you talk about that kind of acreage. When you again look at the fact that we've got 18 million acres already developed for agriculture purposes, an additional six million acres is quite an increase to the agricultural base. I would hope the Minister - I'll read back in Hansard to see what he said about it - I would have hoped if there is a study document available from the department, I would hope he could table it so that, not only this Legislature could be aware of it, but the other people in Manitoba who may want to - young farmers, potential farmers who want to get involved in the land - that they could look at this as a potential area of growth.

I think it's important. I think it's important to the whole provincial economy because you just can't talk of expanding the provincial agriculture base by several millions of acres without having an impact. That is big, Mr. Chairman. That is big in returns of tax revenues. It's big in terms of job opportunities. It's just a nice nice proposal that agriculture can put forward. That was the thought that I had embarked on the study, that it was an opportunity to expand that income on the base.

On that particular issue, Mr. Chairman, some time ago there was a proposal made to us and being considered by a group of Mennonites from Mexico who were interested in coming in to, probably the constituency of the Honourable Minister, to come in and develop their own townsite and their own community. Mr. Chairman, the Minister probably is familiar with it. I would like to know if that same group of Mennonite people from Mexico who have certainly got a strong agricultural background and, I'm sure, quite capable of being put in a community like that and develop, Mr. Chairman, I'm wondering if that proposal is still before us because I read recently in some U.S. press, that they were wanting to move into the United States from Mexico because of the devaluation of the peso and the difficulties they were having in that particular time.

I would think, Mr. Chairman, they would be a credit to this particular area that we're talking about and I wonder if the Minister could respond. Is that issue dead? Are they still looking at us as a potential place to come to, or where does that stand?

If he doesn't feel like he wants to respond to my questions on The Pas area, then I would just give him notice that we would be watching the policies coming from his department and from all those, as well as statements from the Member for The Pas, on how they see the development of that community but as well, the other Mennonite Mexican group who were, at one time, considering coming to Manitoba as a place to make their new home.

**HON. B. URUSKI:** Mr. Chairman, the honourable member raised a number of points. I want to deal, firstly, with remarks that you had made, Mr. Chairman, dealing with Crown land and the point system.

The point system is based on need and does encourage young farmers. There may be some difficulty that maybe we should review. An area where someone who is entering farming on a phase-in period on a part-time basis, and I'm not sure how heavy the criteria weighs on those kinds of people. That is what I received from your remarks and we will ask staff to look at that criteria from that point of view.

The Honourable Member for Arthur spoke about Saskeram and the committee that was the Marsh Management Committee, I believe, that he was speaking about, that his administration had set up. Mr. Chairman, he should be aware, and if he isn't aware, that the farmers of the area withdrew from that committee. They withdrew. They didn't want to take part in that committee at all because they felt that their input was minimal and their influence on that committee was minimal and they actually withdrew from that committee. I know the honourable member would have wanted to be encouraged by that committee of trying to get the parties together and try and reach some kind of a compromise in that area.

We have attempted - the Minister of Natural Resources and myself in company with the Member for The Pas - had a one-day, full-day seminar and session with all parties involved in that area several weeks ago. Mr. Chairman, I can tell you that there are some very hard feelings on this issue on both sides of the question. The end resolve at this point in time, in being candid, is under review and there is no decision reached in terms of some of the submissions that were made at that meeting and where we will end up. I think the comments that were made earlier stand insofar as the Saskeram area go, that there may be some compromises reached, but it may still not be to the satisfaction of all parties.

However, the outstanding issue in the area still not dealt with of course and has to be dealt with, are the Native land claims. I understand that there may be upwards to 30,000 acres affected by a land claim. Where those lands will be claimed has yet to be determined.

Insofar as the involvement of the Mennonite community whose relatives and neighbours from Mexico wanting to come into the province, Mr. Chairman, the member knows that I did have some involvement originally with a group from my area who wanted to sponsor a group from there. Following those meetings that we had with his officials when I was in opposition, there has been not very much more activity from the group since then. There have been no great approaches made at this point in time, anything much further than before.

The study that the member refers to dealing with northern agriculture, Mr. Chairman, was dealt with; it is not complete. I was a little worried by the assumptions that the honourable member was making that, yes, there is great potential, there are 6 million acres north of the 53rd and about 4 million south of the 53rd, about 10 million acres in terms of potential lands that could be used for agriculture in the agricultural fringe and north of 53.

One thing that isn't complete, of course, is the economic analysis and the feasibility of putting that land into production based on the returns and the cropping patterns that might be available, included in that of course input costs and the like. That isn't

complete yet at this point in time and that is being worked on, so there is continued work in that area. When that is concluded, there is no doubt that reports will be made public.

**MR. DEPUTY CHAIRMAN:** 5.(j)(2)—pass. Resolution No. 12.

RESOLVED there be granted to Her Majesty a sum not exceeding \$13,240,400 for agriculture for Farm and Rural Development Division—pass.

Item No. 6., Policy and Economics Division, 6.(a)(1) Administration, Salaries.

**MR. J. DOWNEY:** Mr. Chairman, I ask the Minister, who are the directors and the top staff within this department and what changes have been made?

**MR. CHAIRMAN, P. EYLER:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, the Executive Director of the Policy and Economics Division is Dr. Jerry Gardiner; and the Director of the Economics Division is Craig Lee; and the Grains Market Information Analysis analyst is R. Ward; grains analyst, C. Nachtigall. Mr. Chairman, in terms of the Policy and Economics Division, Dr. Gardiner is the Executive Director; Errol Lewis is the senior statistician; Herbert Schellenberg is the Ag Resource economist; Fern Paquin is the Director of Economic Analysis and Craig Lee is the Director of Policy Development Branch.

**MR. J. DOWNEY:** Mr. Chairman, I'm pleased that the Minister provided that information. I'll ask the Minister, where and how long has Mr. Gardiner been with the Department of Agriculture in Manitoba and where did he come from? What was his previous occupation, Mr. Chairman?

**HON. B. URUSKI:** Mr. Chairman, Dr. Gardiner has been in the department since September of 1982, following a bulletining of two positions within the department, this position as the Executive Director of the Policy and Economics Branch and the Farm and Rural Development Division. It was a Civil Service position. The competition was held and the selection process of those two positions, because they were both advertised at the same time, resulted in the appointment of Cliff Cranston and Dr. Gardiner through those positions. Dr. Gardiner's former position was the Deputy Minister of Agriculture in the Province of Saskatchewan.

**MR. J. DOWNEY:** I see, Mr. Chairman. I thought I'd recognized the gentlemen from previous meetings and I just wanted to make sure that I wasn't mistaken in the identity of the individual. As well, I understand that Mr. Cranston just advanced really within the department from the position of Director of Soils and Crops Branch to now the Assistant Deputy Minister responsible for rural agriculture.

**HON. B. URUSKI:** Mr. Chairman, Mr. Cranston, along with Dr. Gardiner, competed for those two positions along with about 40 applicants, and the selection board interviews recommended the appointment of Clifford Cranston and Dr. Gardiner for the two positions.

**MR. J. DOWNEY:** As well, Mr. Chairman, the Minister referred to an individual as well that advanced in that department by the name of Craig Lee. What is his particular job at this time?

**HON. B. URUSKI:** Mr. Chairman, he was reclassified and promoted to Director of Policy Development Branch in this department.

**MR. J. DOWNEY:** Was that again a competition, Mr. Chairman, and if it was a competition, how many people applied for it?

**HON. B. URUSKI:** Mr. Chairman, no, that was a reclassification and a promotion.

**MR. J. DOWNEY:** Mr. Chairman, a reclassification . . .

**HON. B. URUSKI:** Mr. Chairman, there were two promotions in that department. There was the promotion of Fern Paquin to the Director of Economic Analysis and Craig Lee to the Director of Policy Development, two promotions which were reclassifications.

**MR. J. DOWNEY:** Mr. Chairman, could the Minister give us the previous wage of both those individuals and their current wage, please?

**HON. B. URUSKI:** Mr. Chairman, I'm advised that they were both in terms of classification G-4s, and they were moved to a G-5 classification which is a 1.5 increment increase.

**MR. J. DOWNEY:** Mr. Chairman, that really still doesn't tell me how many dollars and cents they were making before the change was made. Maybe the Minister could tell us what range they were in and what range they're now in?

**HON. B. URUSKI:** Mr. Chairman, I don't have the figures of what they were earning before, their salary is \$43,175 presently now, and a rough calculation would be probably in the neighbourhood of \$1,000 as an increase in the upward mobility of positions and increments.

**MR. J. DOWNEY:** Mr. Chairman, a further question, the Minister indicated for the two senior positions, the one filled by Dr. Gardiner and Mr. Cranston, were there 40 applications for the two? Could he break that down? How many were applying for the job Dr. Gardner has and how many applied for the job that Mr. Cranston has? Was it basically a 50-50 split?

**HON. B. URUSKI:** Mr. Chairman, I'm advised roughly that wouldn't be too far out. I don't have that information here, but the Deputy Minister would have that information.

**MR. J. DOWNEY:** Mr. Chairman, could the Minister indicate who he had sit on the Selection Committee of the Civil Service when this particular process was being made, the members of the Civil Service Commission when the selection was made, all the members?

**HON. B. URUSKI:** Mr. Chairman, the Deputy Minister sat on the Selection Board, along with the Chairman of the Civil Service Commission, and one of the members of the Civil Service Commission, and I believe the Clerk of the Executive Council, and my deputy.

**MR. J. DOWNEY:** Thank you, Mr. Chairman. Precisely, this has been somewhat of a change, I believe, there's been some change in the direction of this department. I'm wondering what the Minister expects. He's got here Policy and Economics Division. You know, when you're dealing with policy, Mr. Chairman, that would seem somewhat political to me, basically the Department of Agriculture has normally been, other than for a few years with one particular deputy . . .

**HON. B. URUSKI:** You mean no policies are political?

**MR. J. DOWNEY:** No, there was one particular deputy that I think was somewhat at odds with the farm community, but basically the Department of Agriculture's responsibility is to certainly develop and to recommend policy decisions. But I now see that at one time, sharing previous administrations, there was an arm of the department called Planning Secretariat. Planning Secretariat, I believe its same job at that time would be to deal with policies and to provide alternative direction or guidelines for the department.

The first look at this would give me somewhat of a bit of concern that we now have Policy and Economics Division so closely tied together. I would hate to suggest that the Minister might be - and be it my opinion - that he's possibly starting to get some fairly major political input into this particular part of the Department of Agriculture.

I have some serious concerns about that kind of direction that the department would be going. I would expect any Minister should have a policy and program. We had one; it was a policy and program, part of our department, but to tie it directly into the Economics Branch, is — (Interjection) — The concerns that I have, Mr. Chairman, I think, as we go into this a little further could be substantiated. I would hope the Minister could put my fears to rest that he isn't trying to inject or introduce political overtones to the Department of Agriculture dealing with the Economics Division.

If he can give me that assurance, then I would feel more comfortable and I think that there's quite a few people in the farm community would feel a little bit more comfortable, and I would only add this - and it's not a personal attack and I don't want the Minister to pick this part up - that we have got a former deputy from Saskatchewan, and I'm sure his qualifications are excellent, I have no problem with that at all.

The same with the qualifications for Craig Lee, but I remember Craig Lee's past with the Department of Agriculture, as an individual who believed very strongly and worked hard under the previous NDP administration to work on the implementation of a marketing board. He worked in the marketing boards, but with very high profile, particularly when it came to encouraging a Beef Producers' Marketing Board. You know, that to my gets into the philosophical approach to running a department, rather than just the straight economics of it.

I have no problem, if that is the case. If Mr. Lee has his philosophy, and certainly we all expect some philosophy to come from policy to people, but I don't think that it can be justified to roll it into the Economics Branch. I think the Economics Branch can provide too much good basic information to all the farmers' — (Interjection) — That's right - their objectivity, and the Member for Morris helped me out, that could be somewhat changed a little bit. They could compromise their objectivity, if in fact, it has severe political overtones to it.

We remember, Mr. Chairman, the Department of Economics has to deal with all the farm communities. Remember. Remember. We heard this come from the Minister the other day that he depends on his Economics Branch, farm management specialists, to go out and help the farm community during difficult times. That's the first contact that they're going to make, and if there are political overtones to that particular department, then I think there's going to be some reluctance on farmers who don't want anything to do with the politics of the government, could be apolitical that they don't want to have a lot to do with it if there are political overtones within that branch.

The Minister can possibly clarify it for me, because it's not going to be an easy issue to pass, if he can't come straightforward on it. As I said, if he'd have developed a straight Policy Department, or Planning, or whatever he wanted to call it, and kept these people out of the Economics Branch, then I think he could have had very little difficulty. He'd have said it's a political part of our department and that's what we're using them for, for policy and research work, then fine. But to put it right into the Economics Branch is a very dangerous precedent to set — (Interjection) — Well, no, Mr. Chairman, he's saying from his Chair that they're separated. He's saying Policy and Economics Division, and that's what we're working under here, (a) Administration and Salaries. Now he cannot say that they're separated, because we're talking with a Deputy Minister, Mr. Chairman; we got a Deputy Minister who is responsible for that branch, who is sitting right here. But he's now responsible for both, for Policy and Economics. Well, Mr. Chairman, I'll let the Minister stand up and speak. I won't hog the floor.

**HON. B. URUSKI:** Mr. Chairman, the whole area of economic analysis and policy thrust is under the responsibility of the Assistant Deputy Minister. The Policy Development Branch is one branch of that department and the Economic Analysis Branch is a separate branch within the department, both doing separate functions, Mr. Chairman.

The Policy Development Branch is responsible for what one would say as providing leadership and co-ordination of long-term policy and program development within the department. This branch develops policy and program priorities for the department, consistent with the overall direction and priorities of this government. It provides policy advice and counsel to myself on broad, national and provincial agricultural policy issues, Mr. Chairman.

The Economics Branch, on the other hand, is responsible for the collection, storage, analysis and dissemination of statistics, marketing and production

information on Manitoba's agricultural commodities. This Branch provides advice, information and recommendations to senior officials, other branches and agencies, farmers and staff. The Branch has recently reorganized and now has two sections of 11 staff to carry out the Branch responsibilities.

So within the Economics Branch, there is the Commodity Analysis Section and the Statistical Analysis Section, Mr. Chairman. There are two separate functions, two separate branches within that same department under the direction of an Assistant Deputy Minister, Mr. Chairman.

**MR. J. DOWNEY:** Then, Mr. Chairman, what responsibilities do the other individuals that were named have? Mr. Gardiner, I've said, I'm sure he's quite capable of dealing with that. What about the responsibilities of Mr. Lee and Mr. Paquin? They have received increases.

This is the other thing, that they just didn't get a normal increment, they got some special bonus for moving into this department. Why would the Minister just go out into the Civil Service staff that he has and just pick certain people to come out and get a one-and-a-half increment increase, increase their salaries somewhat and give them a promotion? What is their job now? Where do they play a role in this whole thing, Mr. Chairman, if it's just such a gloss over thing, you know, that their responsibilities - one is policies, where they're dealing with government policies and telling the Minister pretty much how they interpret how the national transportation policy will affect the Department of Agriculture and policies, and then they move into the Economics Branch. I would like to know the workings. What is the job description of Craig Lee and Fern Paquin?

**HON. B. URUSKI:** Mr. Chairman, the Policy Development Branch, as I've outlined, the role of the Branch - and I can give the honourable member some specific activities of that Branch - this Branch provides policy and program development advice and mobilizes analytical support for the development and implementation of, for example, the Beef Stabilization Program is one of the activities. They have formulated the basic framework for the Hog Stabilization Plan and undertook negotiations with the Hog Board and producers. This Branch works with the Marketing Council and respective marketing boards in formulating Manitoba's position in negotiations related to changes in national marketing plans. This is the role of the Policy Development Branch. I have given the honourable member examples of their activity.

The Economics Analysis Branch, which Mr. Paquin heads, Mr. Chairman, does the Commodity Analysis Section; analyzes the markets for major agricultural commodities and food; analyzes the general economy and its effect on Manitoba agriculture; disseminates marketing information to producers, agribusiness staff and general public; assists in providing cost of production for the major agricultural commodities. They would liaise with the Policy Branch in doing the cost analysis and formulas for, say, the hog program or the beef program. They also have the Statistical Analysis Section that provides statistical data to support and monitor department policies, deals with the collection

of the statistical data on provincial agricultural production, and provides staff and the public with a timely and consistent flow of statistical data on Manitoba agriculture. Those are some of the activities of the two branches, Mr. Chairman, Economic Analysis and Policy Development.

**MR. CHAIRMAN:** The Member for Morris.

**MR. C. MANNESS:** Thank you, Mr. Chairman. I would like to ask the Minister if he could give us some further detail as to what specific projects the Policy Development Branch is working on at this time? I certainly understood fully well the comments he made regarding the overall thrust of that particular division, but I'm wondering if he has before him a list of specific projects which that division is reviewing or looking into at this particular time.

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, some of the work that is ongoing at the present time deals, as I've mentioned, with the Marketing Councils which does take up a fair bit of time, but there is policy work being done on soil and water development within the province now. There is work going on in terms of the Hespeler-South Assiniboine Diversion in co-operation with other departments. We are in the process now of starting to renegotiate the AgroMan agreement and those are ongoing meetings. That's some of the work that is going on now.

**MR. C. MANNESS:** Thank you, Mr. Chairman. That seems safe enough and acceptable enough. I would ask the Minister who makes the decision as to what this department, the Policy Branch, is allowed - when it makes a request of the Economic Branch to do some analysis to support some type of policy objectives, who makes that decision as to whether the Economic Analysis Branch will do the work? Is indeed one division over the other, or does the Deputy step in and make that decision?

**HON. B. URUSKI:** You answered it.

**MR. C. MANNESS:** The Deputy makes the decisions. One final question, can the Minister tell me what other people are involved in the Policy Development Branch? What other individuals, other than secretaries, are involved in that particular Branch?

**HON. B. URUSKI:** Marketing analyst, Heather Campbell, is involved in it; Mr. Schellenberg, and there is a vacant position in there, and there is a secretary's position that is filled, Colleen Hyde and, of course, Craig.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I wonder if the Minister could indicate to me, under which area would the Tree Land Program that is in place right now, under which category would that be?. Would that come under this, because the Minister mentioned the possibility of Agro-Man . . .

**HON. B. URUSKI:** Item 7, or actually 14. Mr. Chairman, yes, Item 14.

**MR. A. DRIEDGER:** Fine.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, I just want to assure the Minister that there will be a fairly close watch over the activities of this particular department, because as I indicated the farm community look to the Economics Division as being a non-political group of people. Because of the fact that he has put the two together, Policy and Economic Division, and some of the questions that could be raised about possible future or past political activities could possibly be - or not political activities, and I withdraw that - I would say, possible philosophical approaches to activities, and I use the example of Craig Lee and his involvement in the past proposal to implement a Beef Marketing Board in the Province of Manitoba, and now we find him being promoted and he is now in charge of the policies of developing the present Beef Stabilization, which could be the tip of the iceberg to move him to a marketing board. He wasn't able to accomplish it in the Schreyer years in government in his capacity.

I know you could do a tour and a review of every beef producer in Manitoba and ask them what the person Craig Lee meant to him and the first thing they would respond and say, well he was the man who was working for the government, the Schreyer Government, for Sam Uskiw, when he was the Minister of Agriculture, promoting a Beef Marketing Board. Yes, Mr. Chairman, I can tell you that's what the answer would be and you could find that from most farm beef producers in Manitoba.

**HON. B. URUSKI:** Maybe you put that answer in their mouth.

**MR. J. DOWNEY:** No, I didn't put the answer in their mouth, Mr. Chairman, but that was the approach that was taken. I make that statement and I make it with pretty good knowledge, because I can tell you that you do a survey of the beef producers and that is what you're going to hear from them; that he was involved in the promotion of a Beef Marketing Board in Manitoba.

He's now involved in the Economics Branch of the Policy Division, which implemented the Beef Stabilization Program, which is partially a Marketing Board concept. That individual is high profile in there, Mr. Chairman, and I tell the Minister, and I give him fair warning and each individual who's involved in that particular department, that it is a very dicey situation for a good economist, for people who are truly professional people, to get into a position of being seen as anything different than just a straight-on, hired employee of government and have political overtones to their activity. That, Mr. Chairman, or a philosophy which is not truly in line with that but the government they're working for and that's very dangerous. I want that on the record because it is that kind of position that they put themselves in by becoming involved in the Policy and Economics Division with the two being put together.

I tell you, Mr. Chairman, the Minister wants to be very very careful in how he uses this because we will be watching, and watching very closely. The farm community are going to be certainly alerted to this and be watching, and watching very closely and, Mr. Chairman, we will bring it to the attention of the Minister at any particular time if it appears as if it is not a neutral part of the government operation of his department. — (Interjection) — You bet it was.

**HON. B. URUSKI:** Mr. Chairman, first of all I will deal with the comments that the honourable member made about one of the staff people and his involvement at the time when we were in office, in terms of the vote on the Beef Marketing Board.

Mr. Chairman, the Member for Morris knows that individual - he served on the Marketing Council - that individual served as a secretary to the Marketing Council whose role was, as a staff position, as a staff person, to conduct that vote, Mr. Chairman. Maybe the honourable member didn't like the person and some of the work that he was doing, in terms of his role in the vote, that's up to him, Mr. Chairman, but to say that because a staff person was conducting a vote on behalf of the government, there's something wrong with the staff, I don't buy that. I don't buy that and I believe that the honourable member doesn't understand and doesn't appreciate the workings of people in the policy area within governments.

I would expect, Mr. Chairman, that if a person working in the policy area with a new administration could not carry out the policies of that administration, I would expect him to resign and leave the service. But, Mr. Chairman, for staff who are professional staff in providing economic analysis, policy thrust and implications, I would expect that staff will be able to carry out that function for whoever, whomever, whichever party is in government.

At the time they take their role seriously and get involved in the political process, Mr. Chairman, then I can see the incoming government making changes and making changes in the staff. But, Mr. Chairman, the honourable member should not leave those kinds of threats on the table, because that's basically what they are to anybody within the Civil Service.

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

**MR. J. DOWNEY:** I did not threaten anyone, Mr. Chairman. I want the Minister to apologize or withdraw those accusations. What I said was, I want the Minister to be aware and those individuals to be aware that because he has joined the Policy and Economics Division, they could be seen as - could be seen as having political overtones or philosophically overtones that could take from their effectiveness as an economist in working in neutral ground, and that, Mr. Chairman, is what I said. So the Minister should correct that statement.

**HON. B. URUSKI:** Mr. Chairman, I accept that statement and I withdraw my reference to the words that I have used to the honourable member. I have no difficulty with that, Mr. Chairman. I'm pleased that he

clarified his statement there, Mr. Chairman, but the member should understand that when it comes to policy areas, I would expect that all members and all people of the province will look at the policies brought forward by myself, as Minister, as the head of the department, and in the government. But, Mr. Chairman, that doesn't mean that the staff within the department working on those policies may, in all aspects, agree with the policies that are coming in, but they will provide the advice and the analysis towards the policies I wish to implement.

Maybe the honourable members opposite don't understand that and that's unfortunate because I see a difference, I see a fundamental difference. I see staff working for the government and for the Minister providing the kinds of policy thrusts that I feel that this department should be taking. That doesn't mean that those staff people, in working on those policy thrusts, may totally agree with those policies but they are carrying out and doing the analytical work to support the policies that I wish to put in. That doesn't mean that they're getting political, Mr. Chairman.

I would want, at all times, and in terms of direction to staff, I would hope that staff does provide a number of options and that's the way we've been operating on, in terms of choices of directions to take before a final policy decision is made; and it will be the public of Manitoba, members opposite, that will look at the policies that we bring in, but not to say that this is the branch within this department that does all the policy thrust.

We have attempted, Mr. Chairman, to work out a co-operative combined thrust within this department, that the Policy Branch works with the lined departments, with the ongoing departments, to use their expertise and their data, in which to give the Minister advice and future policy changes. That's the basic operations of the branch.

**MR. CHAIRMAN:** The Member for Morris.

**MR. C. MANNES:** Mr. Chairman, I'd like to ask whether, at this time, if any work is being done within either of these two branches, Policy or Economics, in an attempt to collect statistics related to foreign ownership. Is any work being done at all to collect material, other than what has been presented to the media and to indeed the House, previously by the Minister?

**HON. B. URUSKI:** Mr. Chairman, that branch would not collect any data because that isn't their function to collect data. They would analyze data that is made available from the board, some of the analysis being carried on and worked by the Farm Lands Board and the like. They would be working in those areas, but not the actual physical collection of data.

**MR. C. MANNES:** Are they, on a state of readiness, waiting for figures to be collected by the Farm Lands Protection Board at which time they'll analyze? Are they ready to do any of that type of work?

**HON. B. URUSKI:** Mr. Chairman, members should know that the introduction of legislation in this House doesn't rely solely on the basis of statistics.

**MR. C. MANNES:** I'm well aware of that, Mr. Chairman. I'm just wondering if indeed there are any plans by the Department of Agriculture to further collect material that will be presented during the major debate on Bill 3.

**HON. B. URUSKI:** Mr. Chairman, I may very well have further information to present, but the honourable member will see it when it's done.

**MR. CHAIRMAN:** 6.(a)(1)—pass; 6.(a)(2)—pass; 6.(b)(1)—pass; 6.(b)(2) - the Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, we're now in the Policy Development Branch, who is working there, who's doing that work? We've gone through the Administration, who's doing the Policy Development work?

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, I gave to the honourable member all the members in this whole area. They're on the record already, Mr. Chairman.

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

Resolution No. 13. Resolved that there be granted to Her Majesty a sum not exceeding \$848,500 for Agriculture, Policy and Economics Division, for the fiscal year ending the 31st day of March, 1984—pass.

Item 7. Canada-Manitoba Value-Added Crops Production Agreement - the Member for Morris.

**MR. C. MANNES:** Mr. Chairman, I forgot one question in the other section. It's not very controversial, but I'm wondering if the Minister would consent to answer it.

**HON. B. URUSKI:** Sure.

**MR. C. MANNES:** Was there any Crow funding whatsoever for the meetings to come from this section or indeed covered at all by Agriculture, or is it all to come out of Transportation?

**HON. B. URUSKI:** No, Mr. Chairman, when the Legislative Committee meets, the costs of those meetings are, I believe I don't know how they will be shared, but if there is any costing from regular departments, they would be covered by Transportation. But I believe in terms of Legislative Committees, the expenses are by the Legislature.

**MR. CHAIRMAN:** Item 7.- the Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. I might add to the Minister that this is an area that I have grave concern for and much interest in basically because we have an AgroMan Agreement or Value-Added Crops Agreement in the southeast together with the SPADA group which I would like to indicate to the Minister has been working extremely well in terms of the various undertakings that they've had there. I think the group generally has been a very active group, very conscientious. They've run various trials in terms of 4-H, in terms of land-clearing equipment, in terms of

chemical applications, things of that nature, and this all ties in very well in conjunction with the Tree Land Program as well as with the sale of Crown lands.

The whole thing is working well in the southeast part of the province, which during our time of government, we referred to as sort of the last agricultural frontier, maybe rightfully so or not, I don't know. But there is a lot potential development there and a lot of development taking place and the Tree Land Program which is part of this, as I understand, where you have interest relief for two years, I believe it is, Mr. Minister, and for the clearing of land until they get it into production and that program I believe terminates this coming fall, sometime in September - I'm not exactly sure what month it is. The first question I have related to that is what is the intention of the Minister? Is it his intention to continue that program, the Tree Land Program, which I must indicate to the Minister has been very beneficial in my area? There has been a tremendous amount of land that has been cleared and this is not ad-hoc clearing as we've had in, let's say, for example, the Municipality of La Broquerie, where big investors came in and they totally removed sections of brush and some of the land was not worth clearing. I'm talking of the program that is in place where individual farmers take and clear 30, 40, 50 acres at a crack. They know where their best soils are and the program has been working well, and I would like to know exactly what the Minister's intentions are regarding this program for the future because, as I've indicated, it has been an extremely good program. It's been well accepted and many people are on it, and is he considering continuing that?

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, I believe the program will be carried on for one more winter season before it is wound down. What will occur for the future, Mr. Chairman, we have just begun our negotiations dealing with future AgroMan projects. We are just getting into that area of discussions and see where the Federal Government is prepared to go and cost share in the future - that remains to be seen.

As the honourable member knows and the former Minister knows that the Federal Government has been moving towards splitting of jurisdictions and the Federal Government doing certain areas of work on their own and the provinces doing on their own, but co-operating in terms of the general thrust, but specifically trying to separate the activities rather than just going always into jointly-funded areas. Those kinds of discussions are just beginning, have been on their way for several months at the preliminary stage, but we're just beginning in those areas.

**MR. A. DRIEDGER:** The Minister is saying that after this September when the program normally would terminate that there would be another year's continuation of that program. Applications could still be made after the initial termination now where there would be another year in which they could take possible advantage of the program?

**HON. B. URUSKI:** Mr. Chairman, I'll take that question specifically as notice so we can check with staff to

make sure that I haven't given the member — (Interjection) — One more winter to go until March 31, 1984.

**MR. A. DRIEDGER:** Okay, I appreciate that comment and possibly if the Minister would consider letting his various agricultural representatives know, because that way at least people can, you know, look at the possibility of taking advantage of it. I also understand under this Value-Added Crop or the AgroMan Agreement that other projects were approved or worked on. One was the Marsh River Project along the Marsh River in the southeast. Also, the Brokenhead River, was there not a program — (Interjection) — would that come under this program? — (Interjection) — yes, we're talking drainage.

**HON. B. URUSKI:** Mr. Chairman, those projects dealing with water management are under the Department of Natural Resources.

**MR. A. DRIEDGER:** Is there any provision under this section for not the undertaking of drainage, but let's say the study of drainage?

**HON. B. URUSKI:** No.

**MR. A. DRIEDGER:** Why I asked that is because when we consider in the southeast area, I'm talking specifically of the LGD of Stuartburn and Piney and Franklin where we have with the ongoing activity in terms of clearing land, breaking land, related to that, as I indicated before, services are required. One thing that is desperately needed is a major drainage study, not the physical undertaking, but the study itself to establish where the major drains should be taking place so that the various councils could tie into it. The problem that these councils have is with a very limited base to levy on that they're always behind the 8-ball financially making it extremely difficult for them to undertake a major service of that nature, and I'm just wondering if there's any provision under this somewhere along the line when the Minister is reviewing his AgroMan Agreements for this kind of an undertaking.

**HON. B. URUSKI:** Mr. Chairman, that question could better be directed at the Minister of Natural Resources in terms of the water-funded projects. I believe that he would be able to answer that question better. In terms of our work in agriculture in this area, we have tied ourself to some specific works not directly related to drainage, although we've done some irrigation study work on peat lands and those kinds of areas, but not directly to the area that the honourable member speaks of of doing an overall drainage study in a particular area.

Our department would co-operate with Natural Resources, Water Resources' staff, in our Land and Water Division in providing assistance and advice in doing that kind of a study, but not specifically in terms of receiving funding out of the AgroMan Agreement that I'm aware of under the present terms of the area that we're talking about now.

**MR. A. DRIEDGER:** Well, Mr. Chairman, the reason why I raised this is because we have the AgroMan

Agreement with this SPADA group right now. As I indicated it's been working exceptionally well. This group, I think, has got the ability and the organization to continue with the program that is in place right now and it would actually tie in relatively nicely, and if there was a possibility under the AgroMan Agreement, part of the funding that is coming through the Federal Government, and this would be the kind of thing that possibly a tripartite arrangement could be made between the Federal Government, the Provincial Government, and the municipalities or LGDs involved in the terms of undertaking this.

The problem that we've had is how to really get the thing initiated. We need a sort of coring effect somewhere, and this is why I raised it with the Minister, because we have an agreement in place and this would sort of tie in hand in hand with the work that is being undertaken right now.

If it is at all possible, I would encourage the Minister to maybe explore the possibility of doing it, and if nothing else maybe in conjunction with the Minister of Natural Resources in terms of trying to tie in that kind of an arrangement, because as I indicated, the need is desperately there.

We have continuous problems even at the best of times because the area itself is such that with the terrain, once we get past the escarpment, it's so varied we have various rivers in there. If a proper plan could be put in place so that each municipal council would know how to tie, how to start working at this thing, but we're sort of working in a backwards type of situation where each councillor sort of provides a sort of interim drainage and everytime he does that, without a proper plan in place, he creates a problem downstream and I think everybody, if you go and talk to the whole area in the southeast, drainage is the No. 1 priority that they have. If there's any possible way, if the Minister would have a look at that, I think, either through AgroMan, which I think would be the most logical place to try it through, if it was at all possible, I'd certainly ask for his support in that direction.

**HON. B. URUSKI:** Mr. Chairman, I accept the honourable member's comments.

As he knows, there have been a number of projects undertaken under the SPADA Development Association in terms of crop cover, comparison grass variety plots, aerial spraying, pasture improvements, sod seeding,

suspension fencing trial, corn plots, buckwheat, zero tillage. Those are many of the subcomponents of the work that's been done under SPADA.

Under our present terms of the AgroMan Agreement, we would not be able to undertake that. I think the honourable member mentioned that there are four municipal districts that are involved in this area. It might be that in the short run that they may want to look at the concept of the conservation district situation, it may not be as financially attractive as they would like, but certainly parts of the province have moved. There are several conservation districts which have been established.

On the other hand, until a new agreement and the terms of a new agreement are arrived at, the honourable member should make his views known as well to my colleague, the Minister of Natural Resources.

**MR. CHAIRMAN:** Order please.

The hour is 4:30. I believe by mutual agreement it was agreed to end at this time.

Committee rise. Call in the Speaker.

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

## IN SESSION

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

**MR. P. EYLER:** Mr. Speaker, I move, seconded by the Member for Wolseley that the report of the committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** 4:30 p.m.- Private Members' Hour.  
The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** By common agreement, there will not be a Private Members' Hour.

I move, seconded by the Honourable Member for Pembina, that this House do now adjourn.

**MOTION presented and carried,** and the House accordingly adjourned, and will stand adjourned until 2:00 p.m. (Monday).