



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

---

**DEBATES**  
and  
**PROCEEDINGS**

---

**31-32 Elizabeth II**

---

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



MG-8048

**VOL. XXXI No. 71A - 2:00 p.m., THURSDAY, 19 MAY, 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, 19 May, 1983.

Time — 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.**

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

## READING AND RECEIVING PETITIONS

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

**MR. CLERK, W. Remnant:** The petition of Winnipeg Bible College and Theological Seminary, praying for the passing of An Act to amend An Act to incorporate the Winnipeg Bible College and Theological Seminary.

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

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

**HON. M. B. DOLIN:** Mr. Speaker, I beg to present the Third Report of the Standing Committee on Economic Development.

**MR. CLERK:** Your committee met on Thursday, May 19, 1983, to consider the Annual Report of Manitoba Mineral Resources Ltd.

Mr. David Gardave, Chairman of the Board, and the President, Mr. Malcolm Wright, provided such information as was required by members of the committee with respect to the company.

The Annual Report of Manitoba Mineral Resources Ltd. for the fiscal year ended March 31, 1982, was adopted, as presented, by the committee.

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

**HON. M. B. DOLIN:** Mr. Speaker, I move, seconded by the Honourable Member for Rupertsland, that the report of the committee be received.

**MOTION presented and carried.**

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**HON. L. DESJARDINS:** Mr. Speaker, I am advised that at a meeting held on May 18, 1983, between the Manitoba Health Services Commission negotiating team and the MMA negotiating team, the Manitoba Health Services Commission offered the following package in an attempt to conclude negotiations between the Association and the Commission:

A one-year agreement commencing April 1, 1983.  
A fee schedule increase of 3.44 percent, which is the amount requested by the Manitoba Medical Association to offset cost of practice.

A two-year trial period commencing April 1, 1984, of binding arbitration and opting out that would comply with the provisions contained in a letter dated November 29, 1982, from myself to Dr. Ivan Kowalchuk, President of the Manitoba Medical Association.

MMA would agree to preclusion of any job action.  
With regard to the matter of binding arbitration, government has always maintained that if approved, it must be binding on both parties. Therefore, government's final position that was announced last fall stipulates that only those physicians who were extra billing as of October 22, 1982, could continue to do so, provided their extra charge would not exceed 15 percent of the Manitoba Health Services Commission's negotiated fee schedule and they would not extra bill a greater proportion of their patients than they did prior to October 22, 1982. In the interests of the residents of Manitoba, we are not about to change that position.

The Manitoba Medical Association membership originally rejected the government offer on binding arbitration. However, in the latest round of negotiations, the Manitoba Health Services Commission negotiators have said they would recommend a two-year trial period of binding arbitration based on my November 29, 1982, letter to Dr. Ivan Kowalchuk if this is the wish of the Association.

With respect to the fee increase, the amount offered by Manitoba Health Services Commission is exactly the amount requested by the MMA and is intended to offset the increased cost of overhead. I wish to commend the Association for the responsible position it has taken in this regard during these very difficult economic times.

Last, Manitoba Health Services Commission proposal will be discussed at a further meeting between the parties next week.

Thank you, Mr. Speaker.

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

**HON. S. LYON:** Mr. Speaker, we thank the Minister of Health for making the position of the Manitoba Health Services Commission available to all members of the House. We note that this is a position that has been put forward by the Health Services Commission; does not represent at this stage, I take it, an agreement between the two parties but it is useful for us to have this information at this time. It would be wrong to make any substantive comment or judgment on this proposal at this time while it is still being discussed and negotiated with the Manitoba Medical Association, but it does seem to have within it the seeds of something that could be a useful settlement for the parties involved and ultimately for the people of Manitoba.

Just one observation with respect to opting out; it does appear that there has been somewhat of a preoccupation on behalf of the Health Services Commission and/or the Minister with respect to this item. I realize that opting out, like any other matter if

carried to excess, can result in prejudice to the delivery of the health care system in Manitoba. That has never been the case, however, in the Province of Manitoba.

I was a member of the team, Sir, who worked on the program for opting out back in 1968, which provided a form of safety valve for the profession in Manitoba whereby those doctors who wished to extra bill for their services were allowed to do so and thereby had to pay a penalty for so doing by virtue of not being guaranteed their fees, the Health Services Commission paying that fee to the patient, and all of the problems of collection and so on that went with it. As a result of that balance in the system, Manitoba has been extremely fortunate in continuing to have over a period now of some 15 years, one of the lowest records of opted-out physicians of any province in Canada.

So I would hope that the Minister in concluding these negotiations, or the Commission, would not make a fetish out of the opt-out situation in Manitoba because it is not the matter of importance that people such as the Federal Minister and others would wish to attribute wrongly as an important issue in this province. It may be in other provinces, but our system in Manitoba is a unique system, a good system. We have worked always in close co-operation with the medical profession. We have, as the years have gone by, succeeding governments have realized that the medical practitioners are important parts of that medical delivery system. They have to be worked with in the spirit of co-operation and partnership, and I think that is manifested in the statement given by the Minister today.

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

**HON. J. STORIE:** Mr. Speaker, it's my privilege to be able to table the Rent Regulation Bureau of Statistical Summary for the eight-month period ending March 31, 1983.

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

**HON. V. SCHROEDER:** Thank you, Mr. Speaker. During the review of the Estimates for the Department of Finance, the Leader of the Opposition requested a copy of contracts relating to the audit of Crown corporations. That contracting process has now been completed, and I would like to table copies of the contracts relating to the audit of Manitoba Hydro, Manitoba Telephones and the Workers Compensation Board. There had been no contracts drawn prior to this process being commenced upon.

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

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Before we reach Oral Questions, may I direct the attention of honourable members to the gallery where we have 26 students of Grade 5 standing from the Souris Elementary School under the direction of Mr. Wallmann. The school is in the constituency of the Honourable Member for Arthur.

There are 46 students of Grades 5 and 6 standing from the Brandon Riverview School under the direction

of Mr. Tardiff and Miss Smeltz. The school is in the constituency of the Honourable Minister of Community Services.

There are 25 students of Grade 5 standing from the Hamiota Elementary School under the direction of Mrs. Irwin. The school is in the constituency of the Honourable Member for Virden.

There are 15 students of Grade 8 standing from the Laporte School in Minnesota under the direction of Mr. Evenmo.

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

## ORAL QUESTIONS

### Bilodeau case negotiations

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

**MR. G. MERCIER:** Mr. Speaker, my question is to the Attorney-General.

In view of the announcement yesterday by the Premier, that agreement has been reached in principle, if not in detail, between the Manitoba Government, the Federal Government and the Societe Franco-Manitobaine with respect to bilingualism in Manitoba and an amendment to the Constitution; and all of this, Mr. Speaker, being based upon a pending appeal to the Supreme Court of Canada, would the Attorney-General advise this Legislature as to the advice he and the government have received from the province's lawyers retained in this matter as to the probability of success of the Bilodeau case?

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

**HON. R. PENNER:** Thank you, Mr. Speaker. I'll be making a full statement in the House on the draft agreement, and let me just corroborate what the Premier said yesterday in my absence; namely, that, of course, insofar as any part of the agreement is based on the proposed amendment, the constitutional amendment will have to come forward to the House in due course as a resolution, and I'll be able to provide my learned friend opposite and the Leader of the Opposition with a draft text probably tomorrow.

With respect to the question posed, the premise is inaccurate in that it suggests that the only reason why negotiations were entered into between Canada and Manitoba principally; some discussions, of course, with the Societe Franco-Manitobaine and, of course, with the appellant himself, Roger Bilodeau, was because of the court case. That is correct. The court case, which was already in place when we assumed office, was the starting point of our beginning to look at the best way of dealing with a situation which posed grave legal risks for the Province of Manitoba as I estimated it and in the view of counsel.

It was not the view of counsel, nor was it my view, that the risk would be that, in fact, the Supreme Court of Canada would invalidate the statutes of Manitoba. That technically, legally, was a possibility, and one doesn't play political dice with that kind of thing because if that indeed had been the result of the court case,

then the gamble would have been foolhardy to the extreme.

The risk rather was - and here was the real risk, and I should put the word "risk" perhaps in quotes - the likelihood was that given where we were constitutionally in this country at a time when the Supreme Court would be hearing the case, it was more than likely that the Supreme Court would adopt a position that, indeed, enforcing the Forest decision in 1979, the obligation to enact our legislation in both languages, French and English, was an obligation which the province had since 1870, and that our failure to do so required a remedy.

The Supreme Court in my view and in the view of counsel were likely in today's context to have reversed the Manitoba Court of Appeal and said that this was a mandatory obligation - the word "shall" means shall, because that is the word used in Section 23 - and that the Supreme Court, a court of nine appointed persons, would fashion a remedy imposing upon the province an obligation with respect to the translation of statutes and regulations; might impose a remedy with respect to the journals of the House, which would first of all be an imposed remedy and not one that either party might necessarily feel appropriate, and might put this province under constraints with respect to fulfilling that constitutional obligation at a time when we were not ready for it and at a cost we could not afford to pay. So what happened, and I'll explain this more fully to the House tomorrow, was that we found it advisable in those circumstances, rather than have a solution imposed, to negotiate a solution which gave us the time and gave us the resources and the funds to do the job.

**MR. G. MERCIER:** Mr. Speaker, I wonder if the Attorney-General would be prepared, if it is available, to table in the Legislature the opinion of the provincial lawyers retained in this matter, setting out their opinion as to the probability of success of the Bilodeau case.

**HON. R. PENNER:** In a matter that has occupied my attention on and off again since January of 1982, there have been frequent meetings involving counsel in the case, Mr. A. K. Twaddle, Q.C., and senior legislative counsel, Mr. Tallin, particularly. I at no time received a written opinion as to the chances, but the opinion that I had and my own opinion was that indeed, because of the fact that the Charter had been proclaimed in April of 1982 and the word "shall" has a particular constitutional connotation in that context, that it would be highly unlikely that the Supreme Court would uphold the province's position. And that given the historic facts in Manitoba, given the language of Section 23 of The Manitoba Act, which is a constitutional instrument, that it would be better to see if we could have a consensual to solution rather than an imposed solution.

**MR. G. MERCIER:** Mr. Speaker, in view of the fact that as a result of the Forest decision there was a process of translation that was started - a difficult process because of the lack of trained translators and available resources, but a process whereby translation was due to be completed within five or six years and perhaps that may be delayed another year or so, my question to the Attorney-General is this: On the basis of the

opinions submitted to him by counsel, does he really believe that the Supreme Court would have ruled against the Province of Manitoba and not allowed a reasonable time for completion of translation of the statutes?

**HON. R. PENNER:** I would think that the Supreme Court would likely have granted some time, I think I said that in my first response. The question is how much time and under what conditions. What we have attained is a great deal of time, with a great deal of money being paid to assist us in carrying out the job and a great deal of assistance in finding those scarce resources that the Member for St. Norbert acknowledges there are in this highly specialized field.

We did not want to put the Province of Manitoba at risk with an imposed solution that in fact did not fully deal with the realities of a situation in which we'd been trying - the previous government tried for years, since 1980 - to find and retain in Manitoba these highly-skilled legal translators who must first of all know law, must be completely bilingual, and must undergo a training period of a minimum of a year. We still, today, even offering very large salaries, have been unable to retain a reviser, that is someone who is supremely skilled and can go over the text translated by a skilled translator to make sure that legally, linguistically, it is correct. Knowing that, from our perspective, we thought it better to make sure that what we thought necessary to safeguard the statutory process, the legislative process in Manitoba, that we should define our own time-lines.

**MR. G. MERCIER:** Mr. Speaker, in view of the fact that the Attorney-General sent me a draft on December 17, 1982, containing a clause - this would be in the proposed amendment to the Constitution - whereby a member of the public feels aggrieved, he could apply to court for a remedy and the court could order the government or any agency of the government to submit a plan to the court for approval to remedy that grievance, giving the court, Mr. Speaker, a great deal of jurisdiction and authority over the government or any agency of the government. In view of the fact that the Attorney-General is reported in today's Free Press speaking at Gull Harbour - and I would appreciate receiving a copy of his written text if he did have one - where he is reported to have said that he has sober, second thoughts on the Charter of Rights because of the fact that nine non-elected rather elderly, upper-class, generally Conservative, mostly male and all white and entirely federally-appointed judges would perhaps have too much to say in the way the laws are enforced. It went on to say, "Questions of social and political justice will be transformed into technical, legal questions." In view of that statement and in view of what was in the draft, and I assume that it is in the document that has been agreed to between the Provincial and Federal Governments, how does he explain agreeing to that section of the proposed amendment to the Constitution giving the courts that much authority?

**HON. R. PENNER:** Mr. Speaker, compared to the discussion in this House a few days ago, this is positively

enjoyable. In fact, there is a consistency between what I expressed as some concerns about the Charter and the process that might flow from the Charter, where non-elected judiciary might play a legislative role, that in fact is consistent with the position we've taken that we would rather we had a political solution to this legal problem that started with the Bilodeau case than an imposed solution by nine, non-elected judges in the Supreme Court.

What the honourable member is referring to does not relate to the statutory process. It relates to a provision that deals with the provision of French language services by a head office of government or where numbers warrant, and when I table the text tomorrow he will see, in fact, that it is not the same as the text he had in December of last year and that the power of the court is still there, but much more restricted.

### Highway construction

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

**MR. A. BROWN:** Thank you, Mr. Speaker. I notice that the Minister of Highways is not present today, so I'll direct my question to the First Minister.

Mr. Speaker, a great deal of concern has been expressed amongst road construction companies about this government's lack of action in this year's road-building program. Companies are being forced to lay off many long-term employees and they're really concerned about this.

My question to the First Minister is, can he say how many tenders for road construction for this year have been voided?

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

**HON. B. URUSKI:** Mr. Speaker, to the honourable member on behalf of the Minister of Transportation, I'll take the specifics as notice, but I can tell him that there has been approval of a number of projects for tender, I believe within the last week or so, following approval by the Assembly of the Minister's Estimates.

**MR. A. BROWN:** My second question is to the same Minister then. For his advice, I can tell him that these are not construction contracts, that these are gravelling contracts only. My question then is: How many tenders for road construction have been advertised?

**HON. B. URUSKI:** Mr. Speaker, I'll take that question as notice for the Minister.

**MR. A. BROWN:** Mr. Speaker, we all know that it takes at least 60 days from the time when a road is advertised for, before the construction can start. To the same Minister, can he confirm that because no tenders to date have been advertised, that it's going to be well into August before any road construction can be done?

**HON. B. URUSKI:** Mr. Speaker, I, as well as any other member of this House, would like to see projects

commenced as soon as possible. The honourable member is well aware of the procedures in this House, that no construction programs, other than the pre-tendered programs begin until the Estimates are approved, and as I've indicated to the honourable member, I understand that a number of tenders have been let in the last week or so.

**MR. A. BROWN:** My question is to the same Minister. The Estimates of Highways have been approved for some time now. Can the Minister confirm that as late as last week, Friday, the Estimates already had been approved and when companies phone down to the Minister's Office, the answer that they still get is that they cannot do anything on the road building program because the opposition won't let them?

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

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

**HON. B. URUSKI:** I can't confirm that that's the advice that was given, but certainly there would be some validity to that if the Estimates were not passed. But as I've indicated to the honourable member, if my information is correct, several tenders are in the process to be let, and I, as well as any other member, would want to see as many projects within the budget proceeded as soon as possible.

### Homes in Manitoba Program - housing starts

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Housing. Last week, the Minister of Housing undertook to tell the House how much of the \$50 million housing program, which he had announced last year, was committed by the end of March of 1983. Can the Minister advise the House of that figure at this time?

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

**HON. J. STORIE:** No, Mr. Speaker, I don't have an exact figure for the end of March. I do have a number of houses committed, but the exact dollar figure is not available at this time.

### Manitoba Mineral Resources Ltd.- capital

**MR. B. RANSOM:** Mr. Speaker, a question to the Minister of Energy and Mines.

It became evident today in the Economic Development Committee that the total amount of capital to be voted for Manitoba Mineral Resources is not likely to be expended in fiscal 1983-84. In view of the fact that the Minister of Finance has announced capital spending by Crown corporations to be \$520 million this year, can the Minister of Energy and Mines advise how much of the \$20 million for the Manitoba Oil and Gas Corporation is likely to be flowed in fiscal 1983-84?

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

**HON. W. PARASIUK:** Mr. Speaker, that certainly would depend on circumstances. It'll depend on what joint ventures come forward to us, to the corporation, for analysis, what decisions they take, what judgments they might make. I really can't prejudge what that would be.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. I have a question of the Minister of Mines who is responsible for Manitoba Mineral Resources and would ask him, if he could inform the House whether he and his government is currently, and has in the past, accepted the advice of Manitoba Mineral Resources as to be of a sound business nature and in the best interests of the Manitoba taxpayers?

**HON. W. PARASIUK:** Mr. Speaker, the advice of the management of Manitoba Mineral Resources Corporation with respect to those items that fall within the purview of that organization in terms of our term in office have in fact been looked at, considered and have been accepted. I really can't comment on judgments that were made by the management or by the corporation when the opposition was in office.

### Tantalum Mining Corporation

**MR. R. BANMAN:** A supplementary question to the same Minister, I wonder if he would confirm that the decision not to exercise the 25 percent option which the previous administration had with regard to the Tantalum Mining Corporation, that the decision not to exercise and the decision to keep the 25 percent which we currently have was made from receiving this type of advice from Manitoba Mineral Resources?

**HON. W. PARASIUK:** I'll take the question as notice, Mr. Speaker.

**MR. R. BANMAN:** Mr. Speaker, since Tantalum Corporation is now shut down and does have about a year's stockpile of product in storage, could the Minister inform the House what the anticipated dollar value, the cost to the province, will be over the next several years, including last year's costs for us to maintain our 25 percent interest in Tantalum Mining?

**HON. W. PARASIUK:** That would depend on how long the slow market, declining market for Tantalum continues. I must point out that the private companies that purchased the shares of Tantalum that were not exercised by the Manitoba Mineral Resources Corporation paid off that entire purchase from cash flow generated by the company within two or three years, leaving themselves in a very good position, Mr. Speaker, to ride out any type of storm that might exist with respect to the — (Interjection) — the opposition only wants to talk about a mining company's operations and the difficult times, Mr. Speaker; they don't want

to talk about the profits that were gained by the companies that purchased the shares of Tantalum with an interest-free loan by this government.

**MR. R. BANMAN:** Mr. Speaker, on May 17th, 1978, the New Democratic Party then in opposition served notice in this House that when elected they would buy back for not one cent more than Hudson Bay Mining and Smelting paid for the 25 percent option, which we did not exercise, that the province would buy that back. Is the government now going to carry out that threat and that promise?

**HON. W. PARASIUK:** Mr. Speaker, I'm very pleased to receive this question. The question was posed by the former Member for Inkster, Sid Green. He made that statement in part on his own. — (Interjection) — Mr. Speaker, what I find interesting is that the Conservative Party continuously says that we lost our most able person when Mr. Green left the New Democratic Party and became a Progressive. Mr. Speaker, yet, at the same time, they keep attacking us, because we are not following the policy of Mr. Green as they would like us to do, because if we did that they would have a straw man to attack. We are a bit more pragmatic than that.

**HON. V. SCHROEDER:** You can't have it both ways.

**HON. W. PARASIUK:** They can't have it both ways. They want to set up a straw person, Mr. Speaker, then they want to attack him. Mr. Speaker, that shows the shallowness of their opposition. They really don't know what to grapple with.

### Sales tax on government purchases

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

**HON. V. SCHROEDER:** Thank you, Mr. Speaker. Yesterday, the Member for Minnedosa asked whether Federal Government departments are paying Manitoba sales tax, and I answered in the affirmative.

**MR. SPEAKER:** Order please.

**HON. V. SCHROEDER:** The member then inquired as to the use of a sales tax registration number by federal departments apparently in the belief that the registration number was being quoted to avoid payment of the Manitoba sales tax and, certainly, I had the same concern when he referred to it. So, I did check into the use of that number and I'm pleased to advise that sales tax is not being avoided. In essence, the Federal Government pays the tax on a self-assessing basis, which involves paying the province installments based on estimated taxable consumption here followed by adjustments after the end of the fiscal year, in light of the actual allocations of its purchases among the provinces. These allocations are subject to provincial audit. This approach was adopted in line with the practice in the other seven provinces with reciprocal taxation agreements and in recognition of the fact that federal purchases can often be made in provinces other than the province in which a particular product is consumed or used.

Since the provincial Acts ultimately apply to where the taxable product is used or consumed, the self-assessing system minimizes requirements for extensive refunds and credits. To that end federal departments quote a sales tax registration number on their purchase orders and remit the applicable tax directly from the Intergovernmental Taxation Centre in Ottawa.

Again, the fact that a sales tax registration number is quoted, does not mean that the Federal Government is not paying the applicable tax.

### Tantalum Mining Corporation

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker.

A question to the Minister of Mines, and I would ask him to inform the House as to what estimated amount of money the province will have to put up in the next couple of years to maintain our 25 percent interest in Tantalum Mine?

**HON. W. PARASIUK:** Mr. Speaker, the president of Manitoba Mineral Resources indicated that in the committee today. I'll certainly take that as notice though, to be precise with my answer, and I'll also take under consideration the amount of money that MMR paid as a dividend with respect to earnings that were made during the good years of the Tantalum mine.

### Manitoba Public Insurance Corporation

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

**MR. R. DOERN:** Mr. Speaker, I would like to direct a question to the First Minister and ask him whether in his opinion, during their term in office, the Conservative Party made any progress regarding their campaign promise to eliminate Autopac.

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

**MR. SPEAKER:** Order please. The Honourable Member for Lakeside on a point of order.

**MR. H. ENNS:** Mr. Speaker, on a serious point of order. Fun and games could be had in this House, but that kind of a question is clearly out of order. I would ask the member to show, in any form, any substantiation of that kind of a question which isn't as trivial as it sounds. It is out of order.

**MR. SPEAKER:** The Honourable Member for Elmwood to the same point of order.

**MR. R. DOERN:** Mr. Speaker, if there is an interest in this House to discuss campaign promises, I think it's only fair that we should be able to discuss the campaign promises of both political parties.

**MR. SPEAKER:** Order please, order please. I really feel the question is not entirely in the spirit of question period as it's usually understood in this House. Perhaps

the honourable member would care to rephrase his question.

The Honourable Member for Elmwood.

**MR. R. DOERN:** Well, I'll try to be more charitable, Mr. Speaker. Mr. Speaker, I want to ask the First Minister whether it is not true that our friends across the way indicated clearly that they were going to eliminate Autopac. I ask the First Minister whether he has any evidence that there were attempts made during their term in office to do so?

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

**HON. H. PAWLEY:** Mr. Speaker, I sense the honourable members across the way for some untoward reason are uneasy about this question. I suppose they have good reason, Mr. Speaker, for being uneasy. Mr. Speaker, what we are certainly quite conscious of is that honourable members try to stack the dice.

They appointed a Commission of Inquiry headed by one who originated from the Fraser Institute, that well-known left-wing radical organization looking into the affairs of business in Canada. He was, as I recall, Mr. Speaker, surrounded by other enthusiastic proponents of the public automobile insurance system. I recall, Mr. Speaker, there were recommendations by that committee, recommendations that would have successfully dismantled the Public Insurance Corporation in the Province of Manitoba, and I do recall that after a severely hostile public reaction, honourable members across the way fled in full retreat.

**MR. R. DOERN:** Mr. Speaker, I would also like to ask the First Minister if he can indicate the cost of that government study to dismantle Autopac.

**HON. H. PAWLEY:** Mr. Speaker, unfortunately, I didn't receive a notice from the honourable member, but I would be more than delighted to take that question as one of notice and provide the Legislative Assembly with the information as to the costs.

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

**MR. H. ENNS:** Mr. Speaker, I direct a question to the Honourable Minister responsible for Autopac. Can he confirm that as a result of that review, substantive improvements and changes were brought into effect, such as the raising of medical costs from \$2,000 to \$20,000, substantial increases in the injury benefits, all of which have stayed in effect in the last 16 months, none of which have been tampered with or, I might say, improved upon. Can he confirm that those fundamental changes took place as a result of that review and were introduced by the former Progressive Conservative administration?

**MR. SPEAKER:** The Honourable Minister of Consumer and Corporate Affairs.

**HON. J. BUCKLASCHUK:** I cannot confirm that the improvements were made as a result of the Burns Report. I believe that the improvements were proposed by the members of the previous NDP administration.



I can also confirm that further improvements were made last fall as a result of this administration.

### Trout Lake deposit

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, during the election in October of 1981, the First Minister alleged that the Tory Provincial Government had given away \$76 million by entering into an agreement with Hudson Bay Mining and Smelting for the development of the Trout Lake deposit. Is the First Minister still standing behind that statement?

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

**HON. H. PAWLEY:** Mr. Speaker, the Minister responsible for Mines is quite anxious and prepared to deal with that question.

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

**HON. W. PARASIUK:** Mr. Speaker, it's a matter that varies from time to time, depending upon the business cycle we're in to mines. Mr. Speaker, the people on the other side might chuckle on that, but they don't understand that this cycle exists.

**MR. SPEAKER:** Order please. The Honourable Member for Turtle Mountain on a point of order.

**MR. B. RANSOM:** Mr. Speaker, I directed a question to the First Minister, because he made the statement in October, 1981. I think that I am entitled to hear from the First Minister whether he still stands behind that charge which he made in 1981. He should answer it and not hide behind the skirts of his Minister of Energy.

**MR. SPEAKER:** The Honourable First Minister to the same point of order.

**HON. H. PAWLEY:** Mr. Speaker, I haven't heard you indicate whether or not that was a point of order or not, but I would point out to you, Mr. Speaker, and to honourable members across the way that the Honourable Minister responsible for Mines, in case the Honourable Member for Turtle Mountain is not aware, is the Minister that is responsible for MMR in this government.

**MR. SPEAKER:** Order please, order please. Order please. I think all members are aware they may ask a question, but they cannot insist on any particular answer or indeed any answer at all.

The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Thank you, Mr. Speaker. I'll certainly answer the question put forward by the Member for Turtle Mountain. Assessments as to a mine's worth vary from time to time with estimates of proven reserves — (Interjection) — Mr. Speaker, it's difficult when the opposition asks a question and you

get up seriously to try and answer the question and you have a lot of muttering on the other side, because people there obviously don't want to hear an answer. I am quite prepared to give an answer if they ask a question.

**MR. SPEAKER:** Order please, order please. Order please. The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Thank you, Mr. Speaker. Mr. Speaker, the Member for Minnedosa seems to have some terrible concern that a number of eminently qualified people a number of years ago selected me as a Rhodes Scholar. Let me assure him that I think that those people had pretty good judgment, Mr. Speaker. I might add that he has never been appointed a Rhodes Scholar and perhaps there is a touch of jealousy on his part, Mr. Speaker, because he always raises that. It's too bad that is the only point that they can keep raising.

I would certainly like to answer the question, Mr. Speaker, again if the Leader of the Opposition would just control himself. If he can just gain control of himself, or I would ask the two colleagues sitting beside him to try and get control of themselves.

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

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

**MR. SPEAKER:** Order please. The Honourable First Minister on a point of order.

**HON. H. PAWLEY:** I will refer to a point of order. I've heard several references by the Leader of the Opposition referring to liars on this side of the Chamber; referring to myself as a liar, Mr. Speaker. I don't expect the Leader of the Opposition to have the dignity and the principle to stand up and to withdraw those remarks, but, Mr. Speaker, I want to put on the record the remarks that the Honourable Leader of the Opposition has repeatedly uttered from his seat, because there are no liars on this side of the Chamber.

**MR. SPEAKER:** The Honourable Leader of the Opposition to the same point.

**HON. S. LYON:** Mr. Speaker, I have both the dignity and the principle to stand in my place, and say from my feet what I said from my seat, which is that the First Minister should answer in this House for his own lies.

I say it from my feet, because we're referring, Mr. Speaker, to the outlandish election promises that this First Minister made in his own words, which have proven to be lies since, and that is what I was referring to, Mr. Speaker.

Mr. Speaker, there's no want of principle here. We know where the shading of the truth takes place, and so do the people of Manitoba - from a government that said it was going to turn around the economy and has since seen 30,000 more people unemployed. The people of Manitoba know who's telling the truth now. It's a shame they didn't know then.

**MR. SPEAKER:** Order please.

The Honourable Attorney General to the same point of order.

**HON. R. PENNER:** To the same point of order.

The language in which the Leader of the Opposition has couched the remark that he made from his seat, elaborating on it somewhat, is nevertheless for all of that an unparliamentary expression, and I would urge that you ask the honourable member opposite to withdraw it.

**HON. S. LYON:** Mr. Speaker, I'm quite happy to withdraw the term "lies" and say that the statements of the First Minister and most of his Cabinet seldom coincide with the truth.

**MR. SPEAKER:** The Honourable Minister of Health to the same point.

**HON. L. DESJARDINS:** Yes, on the same point of order. I've never been called a liar in my life.

**HON. S. LYON:** I'm not calling you one now.

**HON. L. DESJARDINS:** Well, Mr. Speaker, when somebody says, most of the members of Cabinet, I think that then, if there's an accusation like that, the people that he means should be named - if somebody has the guts to name them and not put a black cloud over everybody. I resent very much being called a liar and I'm part of this Cabinet, as far as I know. I would want this to be withdrawn, Mr. Speaker.

**MR. SPEAKER:** Order please.

I thank the Leader of the Opposition for withdrawing those clearly unparliamentary remarks.

The Honourable Member of Energy and Mines may proceed.

**HON. H. PAWLEY:** We hopefully can answer the question without interruptions.

**HON. W. PARASIUK:** Thank you, Mr. Speaker.

I'm certainly pleased that now I can get back to answering the question, saying that the judgments about the value of mines vary with the estimates of the proven ore reserves at any particular point in time, what the price of that commodity is selling at, and what the future projections of that commodity are.

Over the last year-and-a-half, we've had a tremendous downturn in the price of copper, lead, and zinc. A downturn in price that the mining analysts, and the mining companies themselves, have said is the worst downturn, the worst price levels since the depression, Mr. Speaker. So that changes perceptions as to the valuations of a mine.

Therefore, Mr. Speaker, it's a matter of the relative position that one adopts in terms of trying to value a mine. People have, in fact, valued a mine, the Hudson's Bay Mine, at only having 15 years ore, back in 1933. Fifty years later, Mr. Speaker, that mine continues to operate and exist, which means that their estimates were greatly underestimated.

Mr. Speaker, it may turn out, and history will tell whether in fact it was 50, or 76, or 80, or 90. I will say

that depends on the actual experience of that mine. We went through a period where the ore quality was not as good as originally envisaged, but the latter ore drilling in the last three or four months has confirmed a very high quality ore and hopefully that'll make that whole Trout Lake operation work well and serve the people of Manitoba.

### MHSC - MMA negotiations

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

**MR. L. SHERMAN:** Mr. Speaker, my question is to the Honourable Minister of Health and arises out of the statement that he made to the House earlier this afternoon.

I would ask him whether in view of the fact that the letter of November 29th, 1982, which he refers to, which contained conditions for entry into a binding arbitration agreement was rejected by the Manitoba Medical Association at that time, can the Minister advise the House what has changed his mind, his impression, and his sense of optimism with respect to a renewal of the same offer? Apparently in his statement the Manitoba Health Services Commission negotiators are putting forward the same offer.

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

**HON. L. DESJARDINS:** Mr. Speaker, I could say quite clearly that nothing has changed my mind.

This is the last offer that was presented to the MMA. The government felt it's the minimum conditions under which we could accept some form of binding arbitration; there's no change in that. There had been some change over a period of time during the negotiating, and for some reason the MMA, during negotiating, brought this thing.

The question of arbitration - they were told that the last offer was the only one that they had refused. The negotiators, not myself, the negotiators said that they would recommend to me if the MMA wanted to change their mind. Apparently they requested a meeting to discuss that with the negotiator. There has been no direct exchange between the MMA and myself on that.

The last position was refused, as far as I'm concerned it's finished. If they want to change their mind and look at it, we could consider it, but certainly without modifying the last position that we have.

**MR. L. SHERMAN:** Thank you, Mr. Speaker.

I know that we're racing the clock here a little bit. Just one supplementary.

Can the Minister then confirm that the letter to which he refers, of November 29th, contains conditions for binding arbitration which included the requirement that any decision on an increase in the medical fee schedule submitted to the arbitrator for consideration would have to be considered in the light of the province's ability to pay.

**HON. L. DESJARDINS:** That is correct, Mr. Speaker.

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

## ORDERS OF THE DAY HANSARD CLARIFICATION

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

**MR. S. ASHTON:** Yes, I'd like to make a couple of corrections to Hansard, Mr. Speaker.

On page 2845 it states in one portion "attempted to nullify the Prime Minister;" that should say "vilify the Prime Minister." That was in regards to Prime Minister Diefenbaker.

Also on the same page, Mr. Speaker, I stated "They are trying to satisfy, as did the member previously, those that would spout right-wing slogans," and not "spell it right-wing slogans."

**A MEMBER:** You go back and read that stuff, do you?

**A MEMBER:** You're the only one, because nobody else does.

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

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

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for River East in the Chair for the Department of Health; and the Honourable Member for Burrows in the Chair for the Department of Housing.

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY - HOUSING

**MR. CHAIRMAN, C. Santos:** Committee please come to order. This section of the Committee of Supply is now commencing its consideration of the budgetary Estimates for the Department of Housing. As is traditional with this committee, we shall begin by the Minister delivering his opening statement.

**HON. J. STORIE:** Thank you, Mr. Chairman. I have some prepared remarks that I'd like to put on the record, with respect to the Estimates of the Department of Housing and I hope that people will bear with me as I go through this opening statement.

In August of 1982, the Premier, Howard Pawley, announced the creation of the Department of Housing and gave me the privilege of being this province's first Minister of Housing.

At this time, it is also my pleasure to be able to confirm to the committee, that Premier Howard Pawley is announcing this afternoon, the appointment of Mary Cameron as the first Deputy Minister of Housing. Mary J. Cameron is an experienced executive in both private and public housing fields. She has proven managerial skills, including six years experience as vice-president of New West, a private housing corporation in Alberta,

and prior service in the Alberta Government's Housing and Public Works Department.

In her capacity as New West Vice-President, Mrs. Cameron was responsible for managing a 130 million Northern Alberta land portfolio, with an \$85 million annual cash flow. Her duties included negotiations for purchase, sale, development, servicing and marketing of residential, industrial and commercial land, and for this received the firm's Presidential Award for her outstanding contribution to the corporation.

In the two years before that, she served as senior policy analyst with the Alberta Housing Corporation and Department of Housing and Public Works, and is head of the Alberta Environment Department's Restrictive Land Use Development Branch. Her work with the Alberta Government and its housing corporation, includes senior citizens housing, public housing, land banking, and rural and Native housing. She was involved in the research and organization of the first provincial Starter Home Ownership Program, Care Housing Incentive Program, which is a rental construction incentive program, and the creation of the Alberta Home Mortgage Corporation.

Mary Cameron's obviously strong background, in both public and private undertakings, will allow her to contribute significantly to the building, management and development of the Department of Housing and its programs.

The creation of the Department of Housing can be seen as an important and constructive move to formalize relationships between the many provincial housing-related activities. The need to create a Department of Housing arose from the recognition of an ever-increasing complexity in the housing sector, which required a co-ordinated approach, before they could be adequately addressed.

Prior to the establishment of the Department of Housing, housing-related policies and program management were carried out in diverse organizational settings. Housing and shelter-related programs were offered variously by the Manitoba Housing and Renewal Corporation and the Department of Consumer and Corporate Affairs, which was responsible for The Residential Rent Regulation Act, The Rent Appeal Panels and the Rentalsman's Office.

The Department of Energy and Mines and Manitoba Hydro were responsible for energy conservation and for energy efficiency. Co-operative Housing was the responsibility of the Department of Co-operative Development, and Municipal Affairs and Urban Affairs were concerned with community planning development.

The Department of Northern Affairs was often the focus for northern housing development, and the Department of Community Services was responsible for special-needs housing and income transfers tied to rent.

The creation of the Housing Department attempted to consolidate the activities of a variety of departments in the area of housing and shelter needs. The major task of the department will be to develop a rational housing policy which incorporates all the various aspects of shelter and shelter needs into a provincial context.

Clearly, everyone wants to live in a community where all have access to adequate and affordable shelter. The government's main objective in the housing field is to ensure that adequate and satisfactory shelter is

available to all Manitobans. This means the construction of more housing units, more renovation and more diversity in types of units.

In striving to provide adequate housing the government appreciates that housing has many varied aspects, including site, location, price, size and special features. Accommodations must also match the needs of the particular individual in the community in which he or she lives and must accommodate people at different stages of their lives. The requirements of early married life, for example, will be different from those of the mature family engaged in child rearing and different again from those of retired pensioners. In brief, a lifetime requires a diversity of housing types that are designed to adequately meet needs of different groups at different times in different communities.

Solving the unique and sometimes persistent housing problems experienced in the Province of Manitoba will require a co-operative effort on the part of the public and private sectors. The basic challenge of formulating housing policy to meet current Manitoba needs springs from a number of interrelated problems we face and have faced over the past number of years.

One, is existing housing stock. Much of the province's stock of housing was built prior to the Second World War. As our housing stock continues to age there will be an increasing demand for active government programs to enhance the long-term viability of these dwellings. The maintenance of our older housing stock and the desire to conserve the essential character of many older residential neighbourhoods requires active government programming to ensure the viability of such housing stock. Much of the existing housing stock was constructed prior to the oil crisis which brought about the energy conservation era. When one recognizes that the tripling of heating costs has occurred over the past decade the significance of improving and upgrading the energy conservation standards of our housing is a priority area.

Social environment. The population of Manitoba is changing and its housing needs are changing with it. As elsewhere, the average age of Manitobans is climbing and family size is being reduced. Consequently, many Manitobans now living in single detached or other family dwellings may over the next decade and beyond be seeking smaller higher-density accommodations as their offspring leave home and many will be seeking accommodation which offers other levels of personal care.

The Department of Housing is working in conjunction with the Department of Community Services and the Department of Health to seek jointly to resolve some of the problems which we can anticipate over the next decade and beyond.

With the average age of tenants of elderly persons' public housing approaching 80 years, it is apparent that support services will have to be expanded to ensure that elderly Manitobans can continue to have a meaningful existence without undue recourse to intensive residential care.

A related and similar problem is the area of special needs housing. This encompasses the problems of accessibility for numerous handicapped people, as well as the problems of adequate special services for other handicapped individuals.

Another major concern facing each of the housing needs groups is the question of affordability. At a time

when over the past decade there has been virtually no unassisted development of rental stock and ever-increasing prices for single detached dwellings and dramatically few alternatives in terms of housing types and styles, it is extremely important that measures be undertaken to ensure that housing costs do not assume a significantly larger portion of one's income than in the recent past. A rule of thumb and one which guides numerous federal-provincial housing programs provides that no more than 25 percent of one's income should be directed at covering housing or shelter costs.

Another factor is intergovernmental-related problems. Prior to the creation of the Department of Housing, as mentioned previously, housing programs and related shelter programs were delivered by numerous government departments. There are a confusing number of government programs offered by the city, the province and the Federal Government. In many cases, these programs overlap and complement each other in some respects. To the public however, the complementarity of the programs is seldom recognized, and the complexity and confusion experienced by the general public is both unwanted and unnecessary. The Department of Housing and the staff of MHRC are just beginning the process of organizing and co-ordinating to the various levels of government\* the programs that are available.

Affordability - perhaps the most difficult problem facing the Department of Housing is the issue of affordability. Whether an individual is renting accommodations or owns his or her own dwelling, the question of proportion of one's income that goes to providing shelter is an important one. Over the past decade, there has been little or no housing constructed in Canada without the assistance of some level of government. Previously the assistance was provided federally by MURBs or ARPs, and currently assistance is provided to major developers by way of the Canada Rental Supply Program.

In essence, these support programs provide subsidies to developers in the neighbourhood of from \$10,000 to \$20,000 per unit. The dramatically increasing costs of construction over the past number of years has meant that even with substantial subsidies being provided by the Federal Government that economic rents in modern apartment complexes begin at \$500 to \$550 and up. Clearly many Manitobans do not have sufficient incomes to assure themselves and their families of having access to newly constructed apartment units. Similarly, the costs of constructing a new home are such that the average Manitoban finds it increasingly difficult to erect even a modest home and retain sufficient earnings to provide the other necessities of family life.

The issue of affordability is one which the Department of Housing tackled from its inception. The Homes in Manitoba Program provided guidelines which encouraged the development on the part of the construction industry of the affordable home. The program also emphasized the construction of non-profit and co-operative housing units to ensure that low income families' rental needs are met. The Department of Housing also provides rent supplements to allow low income families access to housing units by way of the Shelter Allowance Programs. Thus, there have been and will be further government initiative to ensure that both the private and public sector rental properties exist to meet the needs of all Manitobans.

On the other end of the scale, the province introduced The Residential Rent Regulation Act as a mechanism for providing some measure of control and some measures of assurance to tenants and landlords alike of a fair and equitable process for the escalation of shelter costs.

Another area is Housing Program Management. There are basically two principles which underly the formation of the Department of Housing. One was that the provision of housing generally was of such importance and such social significance that it was imperative that rational planning be undertaken to ensure that all sectors of society could have their particular shelter needs met in the most efficient and acceptable manner possible.

For this to occur, it is apparent to everyone involved, given the complexity, intricacies and interrelationships of housing policy at various levels of government, that a co-ordinated and planned approach to what is seen as a basic human right and a fundamental social necessity is a prerequisite. The function of the Department of Housing is to oversee and to co-ordinate government policy in the area of shelter needs, shelter construction, and the meeting of special needs with respect to housing.

The second principle, which serves as a foundation for the Department of Housing, is that individuals and groups within the society, and those representing special needs, must be consulted and informed and included in the discussions which lead to government policy decisions. The Department of Housing is involved in an ongoing basis with the special needs of Inner City residents, Northerners, Native people, and the disabled. Likewise, the Department of Housing must be prepared to dialogue with those in industry, to whom individual groups look to provide for their shelter needs.

The Department of Housing has a good working relationship with Manitoba landlords, Manitoba builders, and other private and non-profit groups involved in housing projects. As in other areas, this government places an emphasis on working together to solve problems.

Mr. Chairman, honourable members, the foregoing outlines the general goals and objectives of the Department of Housing. As I have said, housing is a priority of this government and the creation of this ministry is a significant first step in improving government planning in the housing field.

Mr. Chairman, one of the first major undertakings of the Department of Housing, was the delivery of the Homes in Manitoba Program. The record of the past eight months serves as a tribute to the concept behind the Homes in Manitoba Program, and as a whole, and certainly is a well-deserved tribute to many staff in the Department of Housing and the Manitoba Housing and Renewal Corporation, who took part in its delivery. I want to take this opportunity to publicly thank them for the thorough, efficient and commendable way in which they performed their duties. The success of the program, in large part, is due to their creative, imaginative and hard work.

Mr. Chairman, the Homes in Manitoba Program was introduced to solve a twofold problem - the need for housing for low to moderate income people and jobs. As I have indicated previously, the more than 1,000 new homes, the addition of 400 units of family public

housing over the last and next year, clearly underscores our attempt to meet that need.

Mr. Chairman, the Homes in Manitoba Program has contributed significantly to our fight against unemployment. Department officials estimate that in the neighbourhood of 3,500 jobs have been created by way of this program; 3,500 jobs for Manitoba construction workers, jobs for tradespeople, business, for small builders and developers. New homes means new demand for household goods, which means more jobs. The millions of mortgage dollars lent to affordable new home buyers has created jobs and was resurgent in the building industry.

Mr. Chairman, the most unique aspect of the Affordable New Homes and the Buy and Renovate Programs are the fact that they are using the provincial borrowing rate to provide 11.5 percent mortgage money, and has meant a saving of as much as \$100 per month for Manitoba home buyers involved in the Homes in Manitoba Program. On top of that, over the next five years, almost all that money returns to the province. Thus we create jobs, stimulate the building industry, and provide new homes opportunities at little or no cost to the people of the province.

I submit, Mr. Chairman, that the Homes in Manitoba Program is a prime example of this government's adherence to the principles of creativity, compassion and co-operation.

The Department of Housing Estimates are essentially divided into three parts. The first, Management and Administration, covers the Minister and Deputy Minister's Office and some funding for an Information Program. The increases here are related to the start-up of the department.

The second part is Landlord and Tenant Affairs. This covers the Office of the Rentalsman, the Rent Regulation Bureau and the Rent Appeals Branch. The only increases in this area are related to general salary increase. There has been no overall increase in staff numbers in this area.

During the year, there was an unanticipated surge of complaints to the Rentalsman's Office and the number of complaints to the Rentalsman increased 35 percent over the previous year. The complaints received by the Rentalsmen were also more complex, often requiring the use of the Rentalsman's trust account or requiring the Rentalsman to temporarily manage the property. This increase, coupled with staff turnover, created fairly severe problems for the Office of the Rentalsman. As of the beginning of March, all staff positions with the Office of the Rentalsman were filled and inroads were being made into the complaint backlog. This situation will continue to improve as the new staff becomes better trained.

In August, 1982, the Rent Control Program started up. This program was retroactive to January 1, 1982, and therefore was expected to have a considerable backlog of work during its first year of operation. As of the end of March, the Bureau had dealt with 90 percent of the 1982 applications. The Bureau anticipates that with existing staff, the remaining backlog will be processed shortly and the processing time shortened considerably for 1983 applications.

The third part of the Estimate deals with the funding for the Manitoba Housing and Renewal Corporation. I am distributing draft copies of the 1982 Annual Report

for the Landlord and Tenant Affairs part of Housing for use by members during review of my department. The MHRC Report was tabled some time ago.

That concludes my remarks, Mr. Chairman. Thank you very much.

**MR. CHAIRMAN:** Thank you, Mr. Minister. The Chair now invites the leading opposition critic to give his reply if he so desires.

The Member for Tuxedo.

**MR. G. FILMON:** Thank you, Mr. Chairman. I thank the Minister for his lengthy opening statement. I can understand now why it takes a month to get a letter with some relatively simple question answered by the Minister, and why his department has had a 90 percent increase in complaints to the Ombudsman for their slow action on many affairs. They have been spending the last six months drafting his opening statement, I would imagine, 14 or 13 pages of it.

Mr. Chairman, I have a number of observations from that opening statement. Firstly it is in many ways self-serving as many of these things are, but it seems to spend a great deal of time outlining the affairs and responsibilities of the department, which seems to me, in part, to be attempting to justify the creation of a new and separate department for the government.

I am reminded of Premier Pawley's opening statements and remarks when he formed his Cabinet a year-and-a-half ago about how he was going to be able to operate on such a much leaner and more efficient basis with fewer Cabinet Ministers and leaner structure. I just note the formation of a new department here, as I did with the Minister responsible for the Environment and Workplace Safety and Health, which involved a new Deputy Minister and their support staffs and, in the other case, a new Assistant Deputy Minister. Of course, we have had many instances of additions of Deputies and Assistant Deputies in other departments, and this leaner and more efficient structure has suddenly become fat and sassy, perhaps, in a very short period of time, only a year-and-a-half into the government. So as a representative of one of the fat and sassy parts of the administration, perhaps the Minister will be able to tell us more about the new organization, and how it's going to make the delivery of the programs more efficient in this area.

We, certainly, welcome the addition of the Deputy Minister and hope that with her new background she'll help the Minister overcome some of the problems that he's having difficulty coming to grips with, and we'll hope that it'll enable a more efficient approach to the responsibilities under his jurisdiction.

We'll be interested in getting some answers in some of the things that are touched upon, such as the new initiatives in co-operative housing, which I might say were highlighted last year and then we found out that there were no new initiatives in co-operative housing during the first year of the government's term, and we'll see whether or not there are, indeed, any new initiatives in co-operative housing in this second year.

Similarly, we'll be looking for some direct answers on some things that we have not been able to pursue thus far through the question period, and I might say that I'm disappointed, not only in getting a great deal

of information thrust upon us on the eve of the Estimates - I thank the Minister for at least doing that much - but I suggest that I haven't had the time to deal with the reports, the statistical summary and the report that he left with me yesterday on the matter, and as such, it may prolong the consideration of his Estimates.

I don't see some answers to questions that have been asked in any of this information, not the least of which is a summary of all rental increases in the province. It seems as though this green page booklet just deals with those that were dealt with by the Rental Regulation Bureau, and as I said to the Minister in question period, what we want is a summary of all the rental increases in the province during the past year, and it seems to me that he should be able to obtain it for us, and I'm surprised that it isn't in this summary and perhaps he's got an appendix to it, that puts it in perspective and deals with it in toto.

I'd like, as well, to indicate to the Minister just in opening that there are some pieces of information that we feel we need in order to satisfactorily consider the Estimates and the work of his department and one of them is, and my colleague for Turtle Mountain asked the question again today in question period, what was the amount of money that was committed in the fiscal year ended March 31st, 1983, for the Homes in Manitoba Program? It seems to me, Mr. Chairman, that information ought to be available. We do have computerized printouts and indicators within the government structure that can allow us to get at that information, and I don't believe that we can adequately consider the Estimates without knowing that, quite honestly, because we don't know where we've been in the past, and therefore, we have no idea of judging where the department is going with respect to that much-touted program.

The other area is that having gotten the difficult section of the rental increases for the province, that is, that part that has been under review and decision by the Rent Regulation Review Bureau, surely, we can put into perspective what were the overall rent increases in this province during the past year, and I'd like in the Minister's opening response for him to tell us: (a) Under what section he'll provide that information for us; and (b) How quickly he can provide it.

**MR. CHAIRMAN:** At this point in time the Chair wishes to invite the members of the staff of the Department of Housing to take their respective places.

Postponing Item No. 1.(a)(1) which is the Minister's Salary as the last item for consideration, we shall begin our consideration of the Estimates with Item No. 1.(a)(2), which is Housing, Management and Administration, Salaries.

The Honourable Minister.

**HON. J. STORIE:** Mr. Chairman, if I might just make some comments with respect to the remarks made by the Member for Tuxedo.

Certainly the opening remarks I suppose were in some sense an outline of the rationale that was part of the thinking that went into the formation of a Department of Housing. Certainly the remarks, and the points that I made with respect to the founding of the department are what we believe are justification for the formation

of this department. Clearly there is a need to co-ordinate the activities relating to shelter. We have clearly other departments that operate to serve various social needs and shelter is certainly one of those needs.

The past experience, I'm sure not just of the present administration but the previous one, and the one before that, have been that there is an increasing demand placed on governments. And I think the record is clear across Canada that that's the case on governments to provide housing; to provide incentives for various types of housing; to provide the initiative that's required to develop different types of housing meeting different needs.

So I don't think that there needs to be any apology made for the fact the department was created, that it has certain objectives that it intends to meet with respect to the planning and delivery of different types of housing in the province.

The issue of co-ops, the member's comment referred to a question that was asked in the House, I believe it was sometime in December with respect to new co-operative initiatives. I think the Minister responsible for Co-operative Development at that time indicated that there had been a number of new co-ops formed. And I'm certain that the member could refer to Hansard for a full outline of the initiatives that the Minister responsible gave to the House.

As well the Department of Housing has appointed, or provided a grant for a group called Keystone Resources Incorporated, which is a co-operative resource group, which will provide needed assistance, information, expertise, and assistance to groups interested in forming co-ops. That group is already very active. They have a number of ongoing contacts and certainly while it's recognized that it takes some time to form a co-op group, to initiate the building of co-operative housing, the ground work is being laid. It takes some time but we anticipate that we will see some major development in the area of co-ops over the coming years.

I should indicate as well that for the first time in the recent past CMHC has allocated 90 units of non-profit, Section 56-1 funding, for the Province of Manitoba. That is something new.

It's in recognition of the fact that there is a particular emphasis on co-operative housing, a will, and a desire, on the part of the government to move in that direction. We anticipate that as we fulfill our commitment to deliver those 90 units over the coming months that we will be able to enlarge on that allocation and see even further units developed in the province.

I think the honourable member will be aware that there's approximately 1,400 units of co-operative housing in the province. Those units, and those co-operatives are tremendously successful. They are providing extremely reasonable rents. They have a tremendous waiting list of prospective tenants and I think provide a good example of how co-operatives work, the kinds of benefits and advantages that co-operative housing can offer.

So certainly we're interested in that. I suppose we all wish we could be moving faster, and perhaps the Honourable Member for Tuxedo shares that concern and that interest with me, but it is something that we will be moving to ensure happens over the next number of years.

The question of more information on rent increases, the information that is provided by way of the Annual Report of the Department of Housing, and by way of the statistical summary of the Rent Regulation Bureau, is the document that I felt the honourable member requested, the information on rent increases. The other document that I did provide the Member for Tuxedo was a CMHC document indicating the current status of the vacancy rate in Manitoba which was, I believe, complete as to October 1982.

The member will know that all rental units, not all but the only exemptions to rent controls on the province, are those specifically exempt by legislation. In other words all of the other units, private units in the province, come under rent controls and therefore would under normal circumstances be included in the annual statistical summary.

So I don't know if there's any further information that I can provide him. I am aware that under the previous legislation there was a more comprehensive summary provided but there is no intention at this point to undertake that type of a survey. We anticipate with the registry that's being established at the Residential Rent Regulation Bureau that we will be able to provide a very complete and accurate record of rental increases throughout the province.

The final item, with respect to the cash flow, and the allocations to the Homes in Manitoba Program, we can certainly deal with those under the Jobs Fund Estimates. The question of dealing in this set of Estimates with those figures I think is not entirely appropriate. The \$50 million that was allocated to the Homes in Manitoba Program was never part of my Estimates, the MHRC Estimates, and is not the additional money that has been granted to the Homes in Manitoba Program by way of the Jobs Fund Board is not part of the Department of Housing Estimates this year. I have indicated that the commitment for the Jobs Fund money, the \$50 million, was committed certainly to the end of April. It's difficult to pin down how much was committed on March 31st because of a number of factors. Certainly a commitment, in terms of an application in process out in our participating lending agencies, is a commitment that is difficult to ensure will be followed through with.

**MR. G. FILMON:** Mr. Chairman, I could get back to item by item, but it's not going to serve our purposes very well to go over point by point with the Minister's responses. I have before me a news release dated September 10, 1982, it's entitled "Mortgage Subsidy Program Outlined," and it begins, "Housing Minister Jerry Storie has announced details of the Affordable New Homes component of a \$50 million Homes in Manitoba Program recently announced by Howard Pawley."

It goes on to quote this Minister. It refers for further information to a Mr. Drew McCartin, care of the Manitoba Housing and Renewal Corporation, homebuilder incentives, etc., and it clearly is the responsibility of this Minister. So if we're going to try and get behind that dodge that we can't talk about it here . . .

**HON. J. STORIE:** No, no.

**MR. G. FILMON:** . . . and we have to talk about it under the Jobs Fund, we're going to get into a lengthy battle. I say to this Minister that the purpose of going through these Estimates is for the opposition to elicit information from the Minister and to try and discuss in some reasonable terms the activities of his department.

If he's going to tell us now that the Homes in Manitoba Program is not an activity of his department and therefore not something that he's responsible for, I am going to suggest that we'll go one of two ways. We'll either not discuss it at all and deal with it in the House in another sense, or we'll be here for a very long time. So all we're trying to do is get out legitimate information that we, in the opposition, are entitled to, and the Minister has all sorts of advantages over us in the access to information of his department.

If it's his government's position that their objective is to keep as much information from us as they can, then I can say that he's going to have a battle on his hands. So we can either do it the easy way, or we can do it the difficult way. We need to know the answer to that question, how much money was committed? If he says that they're dealing with private lenders and whether or not they'll carry through, we'll assume that they're going to carry through on the commitment. At least that will give us the maximum position that the government may be committed to. I would assume that that's the position he'd like to take, in any case, so we'll give him that position, but we need to know.

**HON. J. STORIE:** I am certainly prepared to answer questions. I have indicated in the House that the \$50 million was allocated by April 30th. As the member well knows, the \$16 million was what was estimated to be cash flowed, physically cash flowed, by March 30th which left an additional \$34 million uncommitted at that time. Certainly, I don't have the figures with me. I don't have the representatives of MHRC, because I had assumed we would be dealing with that separately as it is a separate item under the Estimates appropriations. But certainly if the member wishes to have that information before we proceed to deal with other aspects of it, I will certainly attempt to get that information and have someone from MHRC attend, unless that answers the member's question.

**MR. G. FILMON:** So the Minister is telling us that \$16 million cash flowed by March 31st, and that the figure of commitments, he could make available to us. If that's the case, then fine, we'll wait until he can get the information from the representatives of MHRC on that matter. That's fine, we'll accept that at the moment.

**HON. J. STORIE:** I should indicate, just as a clarification, it was estimated that \$16 million would be cash flowed. That's my understanding, not that that figure may or may not be 100 percent accurate, but that's what the estimate was.

**MR. G. FILMON:** With respect to the matter of dealing with overall rent increases in the province, I want to make the point to the Minister that over 20 percent of the rental units in the province are exempt from rent controls, which will obviously affect the mix that will

lead to the average increase. As well - I'm looking for the figure here - only 17 percent of those units that are under control - 16.9 percent - applied for review to the Rent Regulation Review Bureau. Does that mean that all the rest of the units were at 9 percent? Is that what the Minister is telling me?

**HON. J. STORIE:** Well, the member is quite right in the figures that he used. The number of units that applied for increase would be on 9 percent roughly 17 percent, and at this point obviously all units do not out of necessity increase from year to year. We're assuming that the other units, which are not indicated, are not part of the figures here - either did not take any increase or did not seek increases beyond the 9 percent.

Clearly, because of the lateness of the introduction of rent controls, we're anticipating an increasing number of applications in the coming year, and certainly we'll be looking to increase and update the information that we have on what is happening with the additional units.

**MR. G. FILMON:** What I'm saying to the Minister is that to take a snapshot based on 16.9 percent of the market is not information that's of much use in looking at what's happening out there; that this is only a 16.9 percent of the market for which appeals have been made and that leaves the other 83.1 percent of the market unreported. It isn't something upon which I or anybody else would like to make a judgment. For the Minister to suggest that the rest of them might not have had any increases at all is ludicrous. I just can't believe it. I think one has to at least infer that they got their 9 percent and in the unregulated portion, that 21 percent of the market that was unregulated, they probably got considerably more than 9 percent. So that's why I regard this as being of some very minor interest, and I am sorry if the Minister's department went to a lot of work to put that together.

What I had in mind was something like this that covers the full market. I referred to it when I first asked the Minister the question, and I thought that we were talking about the same thing. So I am saying that we have no reading upon which one could make a firm judgment based on the information which the Minister has provided for us.

**HON. J. STORIE:** I have indicated to the member that we started late in the year. We recognize that there are a number of landlords and there may be a number of landlords out there who are not completely familiar with the requirements of the Act. We had an immediate backlog of rent increase applications to take care of that we deemed our first priority. Certainly we recognize and accept the fact that we need to get more information out there.

We are aware of the problem. We are aware of the fact that there may, in fact, be increases beyond the 9 percent. How many is a question that we will have to answer over the coming months. Once the backlog of applications for increases has been dealt with, then certainly we will be turning our attention to those instances where for whatever reason, through neglect or whatever, landlords have not complied fully with the requirements of the Act.

Within the last four weeks or the last number of weeks, staff have had an opportunity to turn their attention



to investigating potential non-compliance cases where, in fact, increases were not being reported. We have found approximately 500 units where the landlord is not complying with the requirements. As a result of that, rent rebates owed to the tenants of more than \$50,000 have been required. So enforcing the provisions of the Act is time-consuming and certainly something that we are prepared to undertake.

The other side of that, of course, is getting information out, which we have tried to do, both to landlords and tenants informing them of both their obligations and their rights. When that is done and when we have a more complete registry, then I think we will certainly be in the position to provide the kinds of figures that the honourable member is seeking.

**MR. CHAIRMAN:** The Member for Turtle Mountain.

**MR. B. RANSOM:** Thank you, Mr. Chairman. I ask the Minister: Who administers the Insulation Loan Program?

**HON. J. STORIE:** The Manitoba Housing and Renewal Corporation delivers it.

**MR. B. RANSOM:** With respect to the \$50 million program which was announced last fall, and the Minister has assured us or informed us that by April 30th at least the entire \$50 million was committed, even though he's uncertain as to what proportion of it was committed by the end of March. Was that full \$50 million committed to the Affordable New Homes Program?

**HON. J. STORIE:** Mr. Chairman, the \$50 million would have been committed to three basic components: The Affordable New Homes Program, the Buy and Renovate Program, and the Non-Profit Family Housing.

**MR. B. RANSOM:** Was that the intention when the program was originally announced? I note in the press release of September 10th that it says that "No specific amount of the total \$50 million had been allocated for the Affordable New Homes Program." So the level of commitment to these various programs was as intended originally.

**HON. J. STORIE:** Yes, Mr. Chairman. The original commitment, I think, was some commitment to the Affordable New Homes, some to Buy and Renovate and approximately 10, I think, was set aside as being for Non-Profit Family Housing in the original announcement.

**MR. B. RANSOM:** Mr. Chairman, if this \$50 million was all committed in accordance with the Minister's intention last fall, what changes were made in the program as a consequence of \$34.8 million of this money being placed in the Jobs Fund?

**HON. J. STORIE:** Mr. Chairman, the guidelines, the original thinking, the allocations, although they were tentative in the first instance when the Homes in Manitoba Program were announced, remained unchanged. The question of additional funds that were provided, it's certainly the case that all of those monies

we at this point foresee committing under the various categories of the Homes in Manitoba Program.

**MR. B. RANSOM:** The question was then, how was the Minister's program enhanced by allocating \$34.8 million of this money to the Jobs Fund?

**HON. J. STORIE:** Mr. Chairman, the allocation of funds to the Homes in Manitoba Program is not a major issue. I think the question is whether the funds are committed, and clearly the entire \$50 million, I have stated previously, were committed by the end of April. Additional funds were allocated. Certainly they were needed.

**MR. B. RANSOM:** Would this \$50 million have been administered any differently if \$34.8 million of it had not been committed to the Jobs Fund?

**HON. J. STORIE:** I am assuming that the outline, the various aspects of the program would have proceeded in the same direction. Certainly that would have been my understanding.

**MR. B. RANSOM:** Exactly, Mr. Chairman, and I thank the Minister for his honesty, because he has been one of the first to be honest about the Jobs Fund, which is fraudulent.

The allocation of \$34.8 million to the Jobs Fund by the Minister of Finance last February did not change this Minister's programs one iota. That program was announced last year by the Minister in September. He had knowledge then of how that money was going to be committed. That is exactly how he has committed it, and it did not change one bit that that \$34.8 million was channelled into the so-called Jobs Fund.

The people of Manitoba have been misled to think that there was indeed a \$200 million Jobs Fund; that somehow the government was coming up with new money that was going to go into creating jobs, or if it wasn't new money, it was at least going to be allocated in a different way. This Minister, to his credit, has been honest in telling us that \$34.8 million was administered in exactly the same way as he intended to administer it when he made the announcement last September.

**HON. J. STORIE:** Mr. Chairman, we've continued to hear comments like that from the Honourable Member for Turtle Mountain. The facts are that the committed funds were \$60 million to the end of the fiscal year. At some point a decision has to be made to commit further funds, and on top of that, Mr. Chairman, the issue, I think, is being - I won't use that word - but I think the case is that the additional commitment, whether the program would have been ongoing using the same guidelines, is not the material fact. The material fact is that the commitment in terms of money to the end of March was \$60 million. There had to be an additional will on the part of, in this case the Jobs Fund, to provide the funding for that, so that was necessary.

Whether, you know, in my opinion that the guidelines, which I said wouldn't change, whether the different aspects of the Homes in Manitoba Program would or would not change, that's the case, those parts of the programs. The question is, where does the funding

come from, is there is a commitment to proceed? Clearly, we did not have to proceed after the end of March; we could have said, that's it. The other issue is that the Minister of Finance had indicated that clearly some of the funds in the Jobs Fund were unallocated capital.

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

**HON. A. MACKLING:** Mr. Chairman, the Honourable Member for Turtle Mountain continues to, in his own way and for his own purposes, try to mislead anyone who cares to listen to him about the fact. The fact is that from the outset the Minister of Finance indicated, when he introduced the Jobs Fund, that the Jobs Fund was comprised of new money, new money that was put in, and a continuation of spending in some areas, discretionary spending. Now, in this instance, this \$34 million that is being referred to, that is discretionary spending. True, it is under a department program, but the government decided to spend an additional \$34 million for job creation, and has indicated that that spending of money is to assist in job creation and is discretionary spending. The Honourable Member . . .

**MR. B. RANSOM:** At least he's honest.

**HON. A. MACKLING:** Well, then the honourable member says, at least this Minister is honest.

This Minister is honest and so are all the other Ministers who have indicated that in their budgets, in their programs, they are going to be delivering programs that are funded out of the Jobs Fund. If there had been no Jobs Fund, they could have been funded out of that department, but it's discretionary whether government spends that money or not. It is fair and proper for us as a government to indicate that discretionary spending is being made, and we are taxing money, we're borrowing money to provide for it, and therefore we're identifying it as job creative, and that is being done out of a Jobs Fund. The honourable member knows that, it's been explained to him, not once, but a dozen times, but for his own purposes he continues to try and foul the concept and suggest it's a fraud fund and it's dishonest and everything else.

We have been very upright and out front and indicated that we have discretionary spending that would flow under a department, and that we have identified that it's job creative, and such is the case was this \$34 million, and such is the case with other millions of dollars that have been indicated in various departments. Ministers have honestly and frankly indicated that to be the case.

So, I resent very much, Mr. Chairman, the Honourable Member for Turtle Mountain continuing to imply that there is something dishonest or deceitful or whatever in respect to our approach to funding and provision for jobs in this province.

**MR. B. RANSOM:** Mr. Chairman, the Minister of Natural Resources doesn't know very much about how funds are committed under The Loan Act. If funds are committed under The Loan Act, they are committed for a specific purpose, and they cannot be used for anything else. They are not discretionary if they are obtained under The Loan Act.

Now, last year, the Minister and the government made announcements on more than one occasion of the \$50 million housing program. When those announcements were made, was it the Minister's intention at that time to fully commit and expend that \$50 million for housing programs?

**HON. J. STORIE:** Mr. Chairman, now that's a very difficult question to answer. We have a \$50 million program; we say, let's spend this much money. The question is, whether there is any response. Clearly, members of the opposition were of the opinion in December that this was never going to attain that position. So, when you say, were we intending to commit the \$50 million? That was seen as a maximum. The question of whether there would be appropriate takeup is another question.

**MR. B. RANSOM:** Mr. Chairman, the government cannot have it both ways. Either they fraudulently misrepresented the program last year when they announced the \$50 million program without intending to spend \$50 million, or else it was a sham to put the \$34.8 million into the Jobs Fund, and I believe that when the Minister announced his program last year, he expected to spend \$50 million on housing programs, that it might not have been expended within the fiscal year, but I believe that the Minister had every intention of expending that full \$50 million. If that is not the case, then I would like the Minister to indicate so.

**HON. J. STORIE:** Mr. Chairman, if the honourable member will recall, the original Homes in Manitoba Program was not scheduled to end on April 30th; the fact is it was scheduled to end on December 31st. Clearly, while it was our intention, perhaps, to gear up immediately that that was not possible, and we looked, obviously, at what the results were in December and again at April 30th, and determined at that point that our commitment, which by then had been expanded to \$73 million was, you know, a prudent thing to do, and certainly, we have every intention of committing the entire group of funds. It was a series of decisions, just not as simple as the Member for Turtle Mountain would like it to appear.

**MR. B. RANSOM:** Mr. Chairman, the government borrowed \$50 million to commit to this program; 34.8 million of that was transferred into the Jobs Fund, dedicated to the Jobs Fund by the Minister of Finance in his Budget in February. The Minister of Housing has indicated in his comments that the administration of that \$50 million did not change as a consequence of the money going into the Jobs Fund.

I would like to ask the Minister then, since it was taken out of one pocket and put into the Jobs Fund pocket, if the Minister received any direction from the committee established to administer the Jobs Fund? Did he receive any direction from that committee to change his housing programs, to alter them, to spend money in one area as opposed to how he had intended to spend it as Minister of Housing.

**HON. J. STORIE:** Mr. Chairman, while I said that the administration did not change, that's in respect to the

fact that the Department of Housing was delivering, nor did the guidelines change in terms of the house price and so forth. Clearly those had been successful and there was every indication that they were going to be more successful. The additional funding that came by way of the Jobs Fund was certainly something that was requested from the department because we recognized that we were going to go beyond the \$50 million.

**MR. B. RANSOM:** Mr. Chairman, I'm not talking about the additional funding, I'm talking about the \$34.8 million that was originally committed for housing programs. Can the Minister give me one example of how his administration - of that \$50 million was altered as a consequence of it being filtered through the Jobs Fund?

**HON. J. STORIE:** Mr. Chairman, I've already indicated that the basic guidelines were set. It's a question of whether the funding was made available, whether there was a commitment to proceed after the end of March after the original certain amount of it had flowed. But again, I indicated that it was discretionary, that the program could have ended at any point, and that the additional funding obviously was welcome not only to myself, but certainly to the people involved in the program who have taken advantage of it.

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

**MR. G. FILMON:** Mr. Chairman, I think what the Minister has indicated is precisely what I said to him last fall when the House first opened, that is, that not only do I believe that he and his government didn't intend to spend the \$50 million; worse than that, I believe they had no idea what the demand would be for it or any indication of what capacity was available to take up the money. As I said at that time, when the Minister stated in the paper some time in October that he was confident that the uptake would take place by December 31st that he was off the wall, he had no idea. And, as a consequence, when we find out that in fact \$14 million or \$15 million or \$16 million is committed by March 31st, let alone December 31st, he had no idea where he was.

So then when they came up with their Budget, they had the bright idea that they could get double mileage out of it. Not only had they made the \$50 million announcement in September of last year, but they could get away with only expending something like \$16 million of it and then reannounce the \$34 million as part of the new Jobs Fund.

This has got to be the greatest charade, the greatest shell game, that this province has ever seen, and this Minister is just caught in the middle. He's a helpless pawn in the whole thing. He'd be directed by some very very imaginative and creative - as he likes to say it - minds in his government and his Cabinet who are getting all sorts of mileage out of announcing and reannouncing, and taking from one pocket and putting into the other, and not doing what they said they were going to do in the first place, which is to achieve the housing starts by December 31st which they said they would, and then to achieve them by March 31st which

they said they would. As a consequence, they've gotten about a third of the money committed and the rest of it gets to be reannounced and reannounced and recycled, and now it's part of the great wonderful Jobs Fund that nobody can pin down to find out exactly what it is.

So the Minister's been candid and so have his colleagues, the Minister of Natural Resources for another, where they indicate to us that a commitment by this government isn't really a commitment.

**A MEMBER:** Oh, no, . . . didn't say that.

**MR. G. FILMON:** He said that it wasn't that the \$34 million was previously committed; in fact, they had to decide whether or not they were going to spend it. Well, here's the news release that announced it.

**MR. CHAIRMAN:** The Minister of Economic Development.

**HON. M. SMITH:** Mr. Chairman, I think what the members opposite are not hearing on the Jobs Fund is that when the government set its level of spending in departments it hit a certain level of spending and a certain mix of programs.

In addition to that, because of the concern over the job shortage and our belief in what the role of government was at this time in the economy, \$200 million was earmarked to be handled by a group that would look overall, not just department by department, but would look at the job needs throughout Manitoba. They would flow the money with a view to the seasonal needs, the regional needs, targeting where the unemployment was greatest and achieving an appropriate mix of short, medium and long-term job creation.

It's a program that integrates, in a sense, components from different departments and is an extra effort, an effort beyond the level of spending, that would have been approved were it not for the economic severe depression that we've been experiencing. That is an approach that I think has integrity. The program is well thought-out and the announcements that will come from it, of necessity, will appear over time because they are being targeted as indicated. It would be foolish to launch them all at the same time because the unemployment needs do shift by region and by season, but it's \$200 million that can be allocated in that co-ordinated and targeted way.

**MR. CHAIRMAN:** The Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, the Minister of Economic Development says that the money could be targeted in a different way. That \$34.8 million was described by the Minister of Finance as non-budgetary capital carry-over. A non-budgetary capital carry-over indicates that funding came by way of a Loan Act. Now, my question then for the Minister of Housing is, can money acquired for a specific purpose under a Loan Act be allocated for another purpose? — (Interjection) — She said she could allocate it in a different way, that's nonsense.

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

**HON. J. STORIE:** Mr. Chairman, I'm sure that the honourable members opposite would like to leave the impression that somehow that the commitment that was made both last year and subsequently in December with the extension is somehow not going to be lived up to. Clearly there are and there will be those monies committed, \$50 million, plus the additional commitment, into the Homes in Manitoba Program - that's a commitment. The 1,000 houses out there and the 3,500 jobs are a tribute to that fact, and the members can quibble, you know, indicate that they're not satisfied that it was done in a clear enough manner. But certainly the \$16 million that I've indicated was an estimate of commitment, an estimate of spending to the end of March, which again we're talking about an estimate. Clearly, the Budget came down long before March 31st. We're talking about a difficulty dealing with builders who may or may not follow through on that commitment, and individual purchasers who may or may not follow through on that commitment. So the bottom line is that the program has and will expend that money as indicated.

**MR. B. RANSOM:** Mr. Chairman, the Minister's integrity is at stake under what's being discussed here, because we either have a situation where the Minister was party to announcements last fall and summer of a \$50 million housing program, and he either intended to spend that money, or else he was making a misleading announcement indicating \$50 million programs which he didn't intend to expend. Now it's either that, or he intended to expend it. Now if he intended to expend it, how can he now argue that it's discretionary whether the 34.8 would be expended? I realize this Minister is not arguing it. It's his helpful colleagues at the end of the table who are arguing it. Now which position does the Minister adhere to?

**HON. J. STORIE:** Mr. Chairman, I was not part of the discussions prior to the creation of the Department of Housing. I would indicate the intention to spend the \$50 million, and I emphasize the word, intention, because the announcement came, I believe, in May. I stand to be corrected on that, but I believe the announcement was in May. Again, I indicated that there were a number of factors related to that. There is a difference between an intention and what actually can be done both physically by the department and certainly by the individuals that have been involved, the builders and the individual homebuyers. So I don't know that's the issue.

**MR. B. RANSOM:** Yes, it is the issue, Mr. Chairman, very much the issue. I want to know and the taxpayers are going to want to know when this government makes an announcement that it is committing funds to a program, can we believe them?

**HON. J. STORIE:** Mr. Chairman, I have indicated that the former Minister of Finance may wish to play games with the numbers. The issue as far as I'm concerned is whether the \$73 million in total, the 50 million plus the 23 additional which has been granted by the Jobs Fund, will be spent. We have every belief that the commitment is there to expend those funds.

**MR. B. RANSOM:** Mr. Chairman, I can assure the Minister, I am not playing games with numbers. Who is playing games with numbers is whoever put this Jobs Fund together, because the Minister just used the term, "granted", 70-some million dollars granted from the Jobs Fund. That money, the Minister may not be aware, that 34.8 million was committed to his program and it was taken by the Jobs Fund. He granted it to the Jobs Fund then, and the Jobs Fund has since turned around and granted \$34.8 million back in order that he can carry out the exact same programs which he had intended to carry out when the programs were first announced. That is what I call misleading, Mr. Chairman.

There may be funds come further to that. There is \$83 million in The Loan Act this year for the Jobs Fund. Twenty million of that has already been passed and been allocated to the Home Insulation Loan Program, and it cannot be allocated to anything else. If it's acquired under The Loan Act for the Home Insulation Program, that's where it is going to go.

Now there remains 63 million more and the Minister may expect some additional funds from that, but any funds that flowed from this 34.8 million are exactly the same funds that he had every reason to expect, every intention that he was going to spend when he announced the programs last year. That is playing with the numbers. That is trying to tell the people of Manitoba, despite what the Minister of Economic Development and the Minister of Natural Resources say, that is trying to tell the people of Manitoba that somehow that \$34.8 million was handled in a different way by this Jobs Fund which was the government's response to the worst crisis in 40 years.

The Minister of Finance said, "For many individuals in our province and in our country, the recession has been a crisis, the worst in more than 40 years. The Jobs Fund is our response to that crisis." So that response to the tune of \$34.8 million was taking that from one pocket and putting it into the other and then putting it back into the other pocket.

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

**HON. A. MACKLING:** Mr. Chairman, the honourable member, of course, can say what he will, but what we have indicated in our statements in respect to the allocation of monies and in respect to the Jobs Fund is that this government has identified its spending in respect to jobs, and is doing that in a variety of programs, some of which includes housing, some of which includes other initiatives that are discretionary on the part of the government. Whether or not the member wants to recognize it, we are reviewing all of our discretionary spending and particularly through the Jobs Fund, so, as the Minister of Economic Development and Tourism has pointed out, so that we can see a broad perspective as to how that spending does influence the creation of jobs and provides for equitable spending and job creation throughout the province. That is the purpose and that is the scope of the Jobs Fund.

The honourable member knows that, but he wants to make light of the Jobs Fund and that's in his interest to make light of it.

**MR. B. RANSOM:** You don't know how the money's handled.

**HON. A. MACKLING:** Yes, we do.

**MR. B. RANSOM:** You don't. It's not discretionary.

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

**MR. G. FILMON:** Mr. Chairman, the Minister of Natural Resources has hit precisely on the fact of the matter when he says that this government has wanted to identify its spending with respect to jobs. Basically all they have been doing time after time, department after department, is taking normal government spending out of the normal flow of government activities that has always been done on public works, on public investment and taken it out of the mainstream and put it into a separate fund so that they could take more credit, adopt a higher profile and a higher visibility for this symbolic, fraudulent Jobs Fund. That's all they've done.

In this case, the Minister of Housing can't have it both ways. Either he intended to expend the \$50 million when he announced it, in which case he didn't need the creation of the Jobs Fund as a front in order to spend the remaining 34.8 million that was left unexpended at the end of the year, or he didn't intend to expend the \$50 million when he announced it. In that case, he was misleading the public when he did so. He can't have it both ways. It is either one or the other.

**HON. J. STORIE:** Mr. Chairman, I have indicated before that intention is one thing, and the ability to do it in the time frame that we had set initially is another. The question beyond that is whether the commitment - certainly at some point it could have been stopped, I suppose, and that's what the Minister of Natural Resources was indicating.

The other issue, I suppose, and the Minister of Finance, I think, clearly indicated is that there were some funds that were new funds in the Jobs Fund and some that came from other unallocated funds both in department and other capital funds. So I think that the record was made clear. It was made clear by the Minister of Finance, and I guess that's the position.

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

**HON. A. MACKLING:** Mr. Chairman, the Honourable Member for Turtle Mountain continues to try to obfuscate. I have said, discretion. Yes, there has to be discretion in respect to timing, allocation. The Minister of Economic Development and Tourism made that clear, but the Honourable Member for Turtle Mountain wants to say, there is no discretion. Certainly there's discretion in spending, and we have tried, and we are trying through the Jobs Fund to identify the employment needs and target our spending in accordance with those needs, the timing and the areas. Sure there is a commitment for that money in respect to housing, but the timing of the spending of that money, and the area in which the money is spent, the types of housing, the kind of delivery of the program, that is all discretionary and the honourable member knows it.

So when we talk about discretion, we mean exactly that because we are looking at not only the housing itself but the impact on jobs. So to suggest, you know,

that's false or that's misleading. He is misleading, Mr. Chairman.

**MR. CHAIRMAN:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Thank you, Mr. Chairman.

The Minister of Natural Resources is demonstrating once again why we moved to reduce his salary to \$1, because he was incompetent in administering his own department, and he's incompetent in trying to assist this Minister who is providing us with information that is factual.

The Minister of Natural Resources, when questioned about a decrease in the capital expenditure within his department and asked why . . .

**HON. A. MACKLING:** That's not before this committee. Mr. Chairman . . .

**MR. B. RANSOM:** . . . he hadn't reduced staff.

**MR. CHAIRMAN:** Will the Minister state his point of order.

**HON. A. MACKLING:** Yes, Mr. Chairman, the Estimates of the Department of Natural Resources is not before this committee and the honourable member's out of order.

**MR. G. FILMON:** We're just attacking your credibility.

**HON. A. MACKLING:** That's all right, you can do it another way then.

**MR. B. RANSOM:** Well, Mr. Chairman, we're talking about the money for the Jobs Fund here, and if the Minister of Natural Resources is so sensitive about his incompetent handling of his own Estimates, then I'm prepared to forego discussion of his Estimates for the moment and get back to dealing with the Minister of Housing.

**MR. CHAIRMAN:** May I remind every member, including Ministers, that the rules of the Committee of the Whole House say that except as provided in Rule No. 64.(2): "Speeches in a Committee of the Whole House must be strictly relevant to the item or clause under discussions."

The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, I'll return to a question which I asked the Minister of Housing earlier and to which I didn't get an answer, I don't believe.

That was, did the Minister receive any direction from the Committee of Cabinet administering the Jobs Fund? Did he receive any direction from them between February 24th and the end of April to make any change in his administration of housing programs?

**HON. J. STORIE:** I have indicated that the questions of where the funds would be, the commitment was the issue at that point. How much of the funds had been committed to the end of the fiscal year or estimated, and I have indicated that the departmental estimate

at that point was approximately \$16 million would be cash float. Again I indicate that was an estimate.

I indicate, again, that with respect to the \$34 million that the Minister of Finance indicated clearly, when he introduced the Jobs Fund, that there was provision for additional loans for unexpended capital and so forth. So there was no attempt in my estimation on his part to indicate otherwise.

**MR. B. RANSOM:** Well, is the Minister indicating that the 34.8 million then would be treated as additional; that up until February 24th, the Minister did not expect to have that additional money, he didn't expect to have the \$50 million for his housing program?

**HON. J. STORIE:** Mr. Chairman, the additional fund, I was aware of the fact that was then becoming a matter of discretion, and I indicated as well to the Minister of Finance, I believe, that we felt that we could commit the rest of the additional funds. There was certainly no intention to change the direction that the program was heading or the guidelines. As I've indicated, certainly there was a good response to them.

**MR. B. RANSOM:** All that was needed between the Minister of Housing and the Minister of Finance was a commitment to the Minister of Housing that he could go ahead and expend the funds for the purpose for which they were intended?

**HON. J. STORIE:** I'm sorry I didn't catch that question, Mr. Chairman.

**MR. CHAIRMAN:** The Member for Turtle Mountain, please repeat the question.

**MR. B. RANSOM:** Yes, can the Minister confirm then that all that was required between the Minister of Housing, and the Minister of Finance, was for the Minister of Finance to authorize the Minister of Housing to go ahead and commit those funds, as had originally been the intention, and as had been announced four or five times last year?

**HON. J. STORIE:** I'm not sure of what the exact requirements would have been. I've indicated that was what the estimate was. Clearly, there was as the Minister of Natural Resources indicated, potentially a decision to either discontinue, or whatever, depending on the specific view with respect to the needs for employment and so forth. The question of where the funds came from - the Minister of Finance has indicated that there was some funds there from other capital that was unallocated at this point.

**MR. CHAIRMAN:** The hour being 4:30 . . .

**MR. B. RANSOM:** No it's not it's only 4:29.

**MR. CHAIRMAN:** Okay, the Honourable Member for Turtle Mountain has a couple of minutes.

**MR. B. RANSOM:** Mr. Chairman, I can tell him where the funds came from; they came from his program, that's where the funds came from. Can the Minister of

Housing then advise if this 34.8 million wasn't spent on housing, what might it have been expended for?

**MR. CHAIRMAN:** It's now 4:30.

**HON. J. STORIE:** Can I answer that question?

**MR. CHAIRMAN:** The Minister may answer if he wishes.

**HON. J. STORIE:** Mr. Chairman, clearly the additional millions of dollars could have been spent on any number of items, as clearly the Jobs Fund has approved a number of projects that would have created jobs as well.

I would again emphasize that whether we take \$16 million and add 34, and add 23, we still come up to \$73 million, which is the figure that has been mentioned any number of times with respect to the overall commitment to the Homes in Manitoba Program.

**MR. CHAIRMAN:** The time being 4:30, it's time for Private Members' Hour.

## SUPPLY - HEALTH

**MR. CHAIRMAN, P. EYLER:** The committee will come to order. We are considering the Estimates of the Department of Health. Item 7, Pharmacare Program.

**HON. L. DESJARDINS:** Mr. Chairman, I think it was agreed that we would proceed line-by-line, and we would go to Pharmacare at this time. But before we start, as the commitment that I made last time to the Honourable Member for Pembina on some of the questions that I was asked, that I would have some information, if you recall, Mr. Chairman, we spent about two hours or an hour-and-three-quarters on the the same issue, and I would like to put this on the record. I will send a copy of this information to my honourable friend, the Member for Fort Garry.

**MR. CHAIRMAN:** Order please, order. There appears to be a considerable number of peripheral conversations. Perhaps you could proceed to the next committee, or continue outside the Chamber.

**HON. L. DESJARDINS:** It's the House Leader that annoys me. — (Interjection) — You've got me all nervous now.

Mr. Chairman, I would ask my honourable friend to make sure that the Member for Pembina gets this information, and I won't go in details, but I just want to talk about staff. If you will recall, the member had insinuated that the commission under my direction had cut staff to save funds. I want to say, that first of all, Winkler has a surplus; they have declared a surplus. In 1977-78, the approved base for staff in the Winkler Hospital was 100.4 and that was later adjusted in March, 1980, to 100.65, and I might say that the actual they had in 1979-80 was only 94. The actual 1980-81 was 95.9, an actual in 1981-82 was 95.8, and at the year end, this year, March 31st, that's the fiscal year, they had 97.6, although, the base, is 100.65.

So, you see it is not the decision of the commission to cut down staff. In other words, they've authorized

more - oh maybe I should've sent this to the Member for Fort Garry can follow what I'm saying, so if somebody can pick this thing up here. Could you give this to Mr. Sherman, please?

I'd like to direct the next document that I have entitled "Morden Hospital Nursing Staff" and just again, it's the information for the Member for Pembina. Well, that was the one that he felt we had cut down. Well, in 1977-78, the approved was 88.2. That wasn't changed in 1979-80 but they hired 94.7. They had a deficit which was never paid, at no time. Actual, 1980-81, they increased to 96.4, the approved base was still 88.2. They had a deficit again that wasn't picked up by the commission. The actual in 1981-83, they actually went down a bit to 93.5, they were still over, and that wasn't approved. Now, on August of 1982, that is just last year, there was an adjustment from 88.2 to 95.8. That is approved. Right now there is 95.8. So, to say, the member said there was a reduction is completely false. Now, at the year end, although they had an approval of 95.8, the year end they had an actual at 99.5, and that is why they have a deficit.

I might say, Mr. Chairman, on another question - and then we could leave that - a question was, the deficit in the rural hospitals and juxtaposed personal care homes. There are a total of 77 facilities and out of that there are 40 that reported a surplus, more than half of them, and then there were commitments to MONA, there were seven, and some that couldn't pay the levy was 11, for a subtotal of 18, and that will be taken care of so they will not have a deficit. There were five that had a deficit under \$5,000, so that is not that much of a concern, and then there are commitments for construction, that certainly will be picked up, and that leaves, out of 77, 12 that have deficits requiring further review and Morden is part of that. So, the accusation in the statements that were made, I think were not too valid, Mr. Chairman.

Now, I wanted to give this information because it was a commitment that I made, and I'm sure that the Member for Fort Garry will see that his colleague will get this information, and the five-year schedule that I have promised him.

Now, Mr. Chairman, it might be that we could go in Pharmacare.

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Chairman, I'd like to take this opportunity to thank the Minister for that information.

**MR. CHAIRMAN:** Order please. There are still a good number of conversations going on in here. If you want to continue outside the Chamber, I would advise you to do so now. I'm prepared to leave the Chair if there is not appropriate decorum in this committee.

The Member for Fort Garry.

**MR. L. SHERMAN:** Thank you very much, Mr. Chairman.

I'd like to thank the Minister for the information that he has just offered the committee in response to questions posed the other night by my colleague, the Honourable Member for Pembina, and assure him that I will see to it that detailed information is conveyed to my colleague.

I'd also like to add on that point, Mr. Chairman, that there was some discussion of hospital budgets and deficits, particularly, with respect to rural facilities. I personally would prefer to deal with that subject when we come to the hospitals line of the commission, but I know that the Minister was responding to my colleague on that point. So, I don't intend to pursue that point with him at the moment.

I'm pleased that we're able to move into some of the specific programming appropriation lines in the commission estimates now and, hopefully, we'll be able to explore and examine two or three of them in some detail, at least, before the end of today's sitting, certainly, before the end of tonight's sitting.

We begin, as the Minister has pointed out, Mr. Chairman, with Pharmacare. I would begin my examination of this very important and very positive program with the Minister with a question, Sir, as to why there is such a substantial, indeed I would even say huge, increase in the vote being sought this year, 1983-84, against 1982-83? Print-over-print represents an increase of 30 percent. The Minister's asking for \$19.5 million against a printed appropriation for 1982-83 of \$14.9 million. Now, I understand there may be some adjustment on that 14.9. I'd like to know what the actual payment was for Pharmacare in Manitoba in 1982-83. Is that 14.9 print figure exact and precise? I doubt that it is, but even allowing for some discrepancy there, we are being asked, sir, to vote \$19.5 million for Pharmacare this year. I don't begrudge Pharmacare one dime; I think it's an excellent program and I know that jurisdictions all over this continent look with envy upon Manitoba for its Pharmacare Program, but that isn't the point, Mr. Chairman.

The point is that where we have a reasonably controlled and contained increase on an annualized basis year-by-year over the past decade in Pharmacare expenditures, we're suddenly looking now at '83-84 as against '82-83 of a 30 percent increase, \$19.5 million as against \$14.9 million. It, at this juncture without explanation, strikes the reader and the observer as almost an incredible increase, Mr. Chairman. I suspect the Minister has an explanation for it, but like all those whose minds will be boggled by it as mine is, I would now invite him to offer that explanation.

**HON. L. DESJARDINS:** Mr. Chairman, I think the member will understand if I don't give him all the broken-down figures, because we are still dealing with the drugs and so on, but I might say that, first of all, there was an overexpenditure last year of over a million-and-a-half. I might say that the claims are probably because the deductible has not been increased. That is one of the reasons the claims have increased very much. In 1981, they were practically 118,000 claims; in 1982, the estimate was 129,000, and in 1983, over 141,500, to be exact. This is one of the reasons. That will explain the volume increase.

There has been an increase also in the cost of drugs, and there will be an increase in the dispensing fees. I think that is the information as I see it.

**MR. L. SHERMAN:** Mr. Chairman, I agree with the Minister that I don't think it is necessary to go into a total detailed breakdown of figures here. What we're

interested in is programming thrusts, size, shape, design of programs, concept of programs, relative merits, relative success of programs and programming philosophy. I think that we don't want to bog ourselves down too deeply in mathematical minutiae. So it's not my intention to ask for a breakdown and an accounting of every dollar, but I do find it difficult to understand, comprehend the size and the magnitude of this increase in the Pharmacare Program expenditure.

There has been no change in the deductible in the past year, as the Honourable Minister points out, but certainly insofar as drug costs, pharmaceutical product costs are concerned, I wouldn't think that there had been any greater increase in Manitoba than there has been in other provinces. I may be wrong about that, but I would suspect that relatively the same increase has occurred in other provinces, including other provinces in this country that have prescription drug programs like Saskatchewan and British Columbia and a couple of the Atlantic provinces. I don't know, at least I am not aware, of massive discrepancies in the levels of increase in drug costs as between one province and another. It seems to me that there would have to be a huge anomaly here to account for that big an increase in the cost of the program, because prescription drug programs and pharmacare programs in other jurisdictions across this country are not going up by 30 percent in expenditure in '83-84 over '82-83. They are going up by that amount in Manitoba, but they do not, to my knowledge, appear to be going up by that amount or anywhere near it in other jurisdictions.

It used to be argued that the Saskatchewan prescription drug program was very expensive compared to Manitoba's Pharmacare Program because it, of course, is not a deductible-type program. It's a first prescription-type program. It has the co-payment feature, but the very first prescription that you purchase in Saskatchewan is covered, whereas, as all members know, there is no coverage in Manitoba until you have exceeded a certain minimum deductible. So what you're looking at in a province like Saskatchewan is a saturation of almost 80 percent or 90 percent of their population, of 900,000 or a million people. Whereas here in Manitoba, if we're looking at 20 percent of our population under Pharmacare, that's a substantial figure. That is large. The same is true in British Columbia where they have the deductible-type of design.

It used to be said, as I am suggesting, Mr. Chairman, that Saskatchewan was much more expensive. The Saskatchewan program was much more expensive in terms of the cost to the Treasury than the Manitoba program, and there was something like a ratio of two or two-and-a-half times difference. The Saskatchewan program cost double or two-and-a-half times or even triple what the Manitoba program was costing. That is no longer going to be the case here. If we are looking at nearly \$20 million going out in Manitoba in the coming fiscal year, the total expenditure under the Saskatchewan prescription drug program for 1982-83, the fiscal year just ended, was \$30.7 million. Now obviously they will be higher than that in 1983-84, but it is not going to be so much higher than that that it is going to represent two or two-and-a-half times the cost of the Manitoba program any longer. In the past, that was always the ratio, so something's happening here.

The costs of the Pharmacare Program in Manitoba are in some way getting out of hand and out of control. I would ask for a more detailed examination of the subject from the Minister than perhaps we have achieved in the last few minutes. There must be more than just the normal growth in terms of total volume of claims, which is a normal feature and something that we have become accustomed to with 12 percent or 15 percent increase in claims volume each year and there must be something more than an increase in pharmaceutical costs, because the Manitoba program costs are going up at a much higher rate and faster rate, as far as I can see, than the costs of programs in neighbouring jurisdictions.

**HON. L. DESJARDINS:** Mr. Chairman, there is no doubt, and the figures are there to prove it, that it is a very expensive program. Now the comparison of 30.7 million though, the figure that I have for Saskatchewan, 30,707 million, that was in 1981-82. That's not this year. Now I don't know what it is this year. In that year, the cost in Manitoba was \$13 million, so the percentage or so that was given by the member is true.

Now, I cannot make any comparison. There's a possibility that it isn't quite the same ratio, the same percentage increase, but I can't compare Saskatchewan two years ago when there was such a change with Manitoba of two years ago. Now, all I can say, there was quite a deficit last year, as I mentioned. I gave the amount. That comes to 10.4 percent and the others, which I do not want to cut down the price and the prescription cost and the volume increase, that would represent the rest.

The drugs are quite a bit more expensive than they were before. I know that I've never paid anything for drugs like I did a couple of weeks ago; I was flabbergasted. I went out to the druggist and I can tell you that I didn't even know what drugs I was getting. I had my prescription, and in fact there were certain ones I didn't get filled, I didn't have the money with me. It cost me \$146, so it is high. The volume I am told - I would be naive if I said there's no abuse of it at all. That's a concern that we all have. It might be with some people that are going around and trying to see different doctors and getting certain prescriptions, there's a possibility, and there's an abuse with the medical profession themselves. I think it's about time we recognized that and they recognize that themselves. They are trying to cut down and there are all kinds of new drugs. But I am assured by the staff of the Commission that things are certainly not getting worse, if anything, they are improving somewhat. The only explanation I could give is repeat and I'm certainly ready to privately give the figures to my honourable friend.

As he knows, we're still negotiating with the druggist for the fees for prescribing, and that is why I don't want to talk about percentages and then they know what we have on the table. But there's an increase there; there's an increase in the cost of drugs.

There are some new drugs, I think that is creeping up at times. I think you realize that we have a committee that's looking at that continually. I think that committee's doing excellent work, if anything, they're saving money by replacing drugs at times, some drugs that are costly. But the main thing is that there are more individual claims than we've had before.



Now, if the cost goes up, and if cost of prescribing drugs goes up, then it stands to reason that with the same deductible, without the change in the formula, then instead of having 10 prescriptions to fill in your quota, it might be six or seven. Now, my honourable friend might say that maybe we should increase the quota; we haven't done that. I think periodically that'll have to be looked at, maybe the comparison is made and this time where they did - I think there was only once - but I know they increased. There was some increase and maybe then the deficit, there was a change. In other words, what I'm trying to do, I'm not commenting, I'm not saying that we're wrong, I'm just saying that we have to compare apples to apples, not to oranges.

I don't know of any more abuse than we have, those that we're aware of, those that we're continually trying to look at. There's been discussion with the medical profession and amongst themselves, too, and the college, and they're aware of some of that. I think, if anything, there has been an improvement. I think the people are more conscious of the abuse that we've had here in Winnipeg.

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Chairman, the Minister said that there was an overexpenditure in 1982-83 in Manitoba of \$1.5 million. Can he explain to me what that means in terms of the print figures in my Estimates Book, please? What does that mean in terms of the actual expenditure on the program for 1982-83, and are we talking about a fiscal year here or a calendar year?

**HON. L. DESJARDINS:** The 1982-83 voted figure was \$14,970,400 and the actual spent in 1982-83 - and that's the fiscal year by the way - is \$16,528,000.00.

**MR. L. SHERMAN:** \$16 million . . .

**HON. L. DESJARDINS:** 528.

**MR. L. SHERMAN:** 528, that's the actual spent?

**HON. L. DESJARDINS:** Right.

**MR. L. SHERMAN:** And that was in fiscal '82-83 or calendar '82-83?

**HON. L. DESJARDINS:** Fiscal '82-83.

**MR. L. SHERMAN:** Fiscal '82-83, okay.

**HON. L. DESJARDINS:** And the \$14,970,000 is also fiscal, that was voted for the fiscal year '82-83.

**MR. L. SHERMAN:** Okay. Thank you. Well, that reduces the superficial appearance of the size of the increase in this year's Budget.

Mr. Chairman, the Minister said that in the latest year of the program, which would be fiscal '82-83, there were 141,000 claims, I believe he said. The year before that, 129,000; and the year before that, 118,000. I just want to clarify my own records on this point, because

my records deal with what is known as registrants using the program, and my figures for 1980 for registrants using the program are 83,593. My figures for 1981 are 90,280; my figures for 1982 are 97,502 and, of course, we're just in 1983 now. So I'd like to ask the Minister for clarification as to the difference that exists between my 83,000, 90,000, 97,000 and his 118,000, 129,000, 141,000?

**HON. L. DESJARDINS:** Well, the honourable member, Mr. Chairman, is somewhat off, but not too badly. He's talking about the different people that are putting in claims. Now, in '81, my figure is somewhat changed, not that much, there were 91,993.

**MR. L. SHERMAN:** 91,993.

**HON. L. DESJARDINS:** 91,993, that's the registrants using the programs.

**MR. L. SHERMAN:** The registrants using the programs.

**HON. L. DESJARDINS:** Yes, that's the figures equivalent of the figure which I would use. My figures . . .

**MR. L. SHERMAN:** And that's 1981?

**HON. L. DESJARDINS:** Yes. 1982 estimated . . .

**MR. L. SHERMAN:** That's not an estimated figure?

**HON. L. DESJARDINS:** 1982 estimated, 99,188; 1983 estimated, 109,107.

**MR. L. SHERMAN:** 109,107?

**HON. L. DESJARDINS:** Right.

**MR. L. SHERMAN:** '83 estimated?

**HON. L. DESJARDINS:** Right, those are the people that are using the program. But now the claims, in other words, some people, quite a few of them have more than one claim. Now, in '81, for these 91,993 using the programs, they've had 117,914 claims.

**MR. L. SHERMAN:** 117,914, that's claims?

**HON. L. DESJARDINS:** Right.

**MR. L. SHERMAN:** And that's what year?

**HON. L. DESJARDINS:** That's '81; that's the 91,993 people put in those claims. The same numbers I'll give you now, for the 99 estimated in 1982, the estimated claims would be 128,746. In 1983 for the estimated 109,107 registrants, the estimated claims for 1983 is 141,621.

**MR. L. SHERMAN:** Okay, thanks very much. So, estimated 1983 are 109,107 registrants who will be using the program and entering or submitting 141,621 claims. Is that right?

**HON. L. DESJARDINS:** That's right.

**MR. L. SHERMAN:** Mr. Chairman, I'd like to ask the Minister whether any changes in design, concept, approach, etc., or philosophy are contemplated to the Pharmacare Program? I ask that question in particular with respect to the formulary and the formulary concept. I don't expect for one minute that any of us in Manitoba entertains any thought about any change to the Pharmacare Program as a program which protects Manitobans against devastating and cruel medication costs. We all support the program and nobody would quarrel with that philosophy, but there are components and concepts of the program that continue to be the subject of some discussion, if not debate, and the formulary and the formulary concept is one of them.

I would like to ask the Minister whether any changes or studies or thoughts are taking place in his department among his advisors, with his Deputy Minister, with his directors of this program, with the senior officials of the commission, with respect to making some inner changes in the program, and/or any changes having to do with the formulary, other than the inclusion of additional drugs on the formulary? I know that from time to time new drugs are included in the formulary and some are dropped from the formulary. That's the object of the formulary exercise, but some provinces argue that you don't need a formulary at all. British Columbia technically hasn't got a formulary. They do have a list, which I guess is sort of somewhat equivalent to the compendium of drugs and pharmaceuticals which is compiled by the profession in any province, in any jurisdiction, but they don't technically have a formulary. Is there any thought to that sort of thing being given to our program here?

**HON. L. DESJARDINS:** No, Mr. Chairman, there certainly is no direction and no recommendation that we should alter this program too much. That doesn't mean, of course, that we are not looking at it. I'm trying to be as clear as I possibly can, and there is no doubt that eventually, periodically we look at the deductible, we might want - I'm certainly not announcing that we're even recommending this at this time - but I want to go on record that these things are possible. We're not excluding that forever, but right now, this is a program that we would want to keep improving, you know, to make sure that there is less and less abuse, and we'll have to look at the cost of it. But other than the normal changes that have been taking place, the last few years and as was explained by the honourable member, we have nothing new in mind for this program. It's gone up just to keep up with it. It started in 1975, it was \$3 million, and I'm asking for \$19.5 million. So, I'm not thinking of enlarging it too much at this time.

**MR. L. SHERMAN:** Mr. Chairman, is any thought being given to taking the prices out of the formulary and is the Minister receiving advice from the directors of his program that, in fact, the interests of the consumer, the patient, the professionalism of the doctor and the prescriber and the pharmacist and the interests of the innovative pharmaceutical industry? By definition in my book, therefore, if you want to follow that argument through, the interests of Manitoba society and the

Manitoba economy and the Manitoba taxpayer might be better served by a formulary that did not contain the pricing and that permitted more product selectivity on the part of the pharmacist, more professional decision-making on the part of the doctor and more competition in the marketplace.

**HON. L. DESJARDINS:** Mr. Chairman, in all honesty that has not been discussed between my staff and myself. They might have given it some thought. I certainly would welcome any suggestion or even advice from my honourable friend. I know that he's done quite a bit of work on that. I think he's engaged in that now for somebody, and I certainly would appreciate getting any papers that he might have on it. We certainly will look at it, especially if it's something that's going to save us money in this term. If it's going to add to the cost, we'll be a little more reticent from doing that.

**MR. L. SHERMAN:** Mr. Chairman, has the Minister had discussions with his counterparts in other parts of the country about the position of the innovative pharmaceutical industry, the main manufacturers of pharmaceuticals and the position that they're in at the present time in Canada as a consequence of the patent laws and as a consequence of the rise of the generic imitator who has been able, in every province where there is a prescription drug program or Pharmacare Program, to take considerable advantage in a competitive way, and let's face it, all's fair in love and competition, I suggest, but nonetheless, take competitive advantage which perhaps strikes the innovators as being somewhat unfair with respect to getting drugs on the market because the generic imitators don't have to go through the costly development and research processes that many of the major manufacturers, the so-called innovators are engaged in throughout their industrial careers? There are situations now where - and I know the Minister would be aware of it - where some major pharmaceutical product makers are closing their laboratories in the Province of Quebec and closing them, or threatening to close them, in Ontario, and indeed, leaving the country, or threatening to leave the country and move their research and development functions to the United States or elsewhere.

There never has been much in the way of research and development in the pharmaceutical field in Canada outside of Ontario and Quebec, admittedly, because in those major industrial regions of the country, that's where the pharmaceutical industrial complex was located. But they are in many cases closing their doors and leaving now, and that's a loss to the Canadian economy and to the field of Canadian career opportunities. It is also a loss to some educational institutions who have programs and scholarships funded by major pharmaceutical companies.

I think it is something that we in Manitoba could be looking at very seriously as an initiative that might be undertaken in our province and by our province, some steps that could be perhaps taken to establish a climate here in Manitoba that would be attractive to research and development in the pharmaceutical industry. I'm sure that some other provincial Ministers across Canada have given some thought to the same subject.

I would like to know whether the Minister, at any recent interprovincial meetings with his colleagues from other provinces, has discussed the plight of the pharmaceutical industry in Canada and the argument that can be mounted, the case that can be made for a reform of our patent laws in the pharmaceutical field, so that compulsory licensing is removed or that the present provisions dealing with compulsory licensing are removed. The point being that those provisions apparently favour the generic imitator and operate to the disadvantage of the developer, who has put a good deal of time and money and effort into researching the initial product.

**HON. L. DESJARDINS:** Mr. Chairman, I am aware of some of the concerns expressed by the honourable member. As he knows, the provinces are represented on a committee that meets with the federal officials periodically, and the concern that he has expressed is being discussed and talked of at these meetings. It hasn't reached the Minister level yet.

There has been, for instance, a submission made to the Federal Government to change The Patent Act. That is something that is being considered by the committee and by the Federal Government. The Federal Government is committed to then get back to the interested parties including the provinces. It is somewhere around that time, I guess, that the Ministers will get together to discuss that. So far it hasn't reached the elected representatives yet, but it's being discussed by the committees representing the different provinces.

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

**MR. A. BROWN:** Thank you, Mr. Chairman. I really have only one question in this particular area. As you know, there are some people who need more medication than what others do. We're trying to hold down the costs as much as we possibly can, but I think that sometimes maybe we have to pay a little extra attention to these people, and such, of course, are diabetics.

Now a lot of them are doing their own monitoring at home now and this, of course, is good. They are using a small machine to prick the finger and a small drop of blood is produced and placed on a chemical strip. This strip is then placed in an apparatus, and a reading is given. Now Pharmacare does cover the price of the chemical strips, but the apparatus itself costs \$350 for the reading and no portion of this is covered by Pharmacare. If we are going to have these people doing this monitoring at home, I wonder if the Minister has ever given any consideration to having this apparatus covered. I think it's called a glucometer or whatever.

**HON. L. DESJARDINS:** Mr. Chairman, I wonder - I wasn't quite clear. Would the member expand on - he's talking about apparatus. I'm not too sure if he is talking about something that should be covered under Pharmacare or under Home Care. This is strictly drugs. Maybe I misunderstood. I wonder if the honourable member would be kind enough to expand on the question.

**MR. A. BROWN:** This is the small machine that you use for the reading, monitoring the glucose in your

blood. Now the chemical strips that are being used for this, they are covered under Pharmacare, but the machine itself is not. It costs \$350.00. There has been a request that we pay some attention to this, and maybe we could get this machine covered somehow, or at least a portion of the cost.

**HON. L. DESJARDINS:** I understand, Mr. Chairman, the little that I know about this is that the machine, that is a hospital program and it is covered under the program. I think Grace Hospital is the one that does that. It's like anything else, these programs would have to be funded through, if it is a hospital program, the drugs would be covered under the Pharmacare Program for the individual, but the program itself and the equipment would have to be funded under a program of a hospital. If later on, some of these things are done in the home, like we have different other machines, that would be a home care program.

I can give you the answer no matter what, that these are like anything else. You remind us so often about the big deficit we have and you remind us that you want a personal care home in each one of your constituencies and so on, and it's a question of dollars and cents. We would like to be able to do all those things, but we can't cover them all. Those things, I might say without exaggeration, that these things are constantly studied, are under review. Periodically, nearly every year, you include - I'm talking in general now of course - something else under Home Care and so on, but right now there is only the part of the program that is covered through the hospital.

Nevertheless, the staff will take this, or I will take this officially under advisement - not only advisement, but I take the question as notice and just see if I can get a little more detail for my honourable friend and give him the answer a little later on.

**MR. A. BROWN:** I am very pleased to hear this, Mr. Chairman, because if these people can do their own reading at home, then there is a possibility that a substantial savings possibly could be realized by them doing their own reading. So I appreciate the fact that the Minister is going to look into this situation and, if he's going to get back to me, that's fine.

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Chairman, I wonder if the Minister could supply me with some other information for my records having to do with the average cost per registrant of Pharmacare in Manitoba in the last year, in addition to the records that he has and that I have for program years which show registrants using the program and actual payments, etc., etc. He recently provided me with an update on the claims totals. There is a record kept in the category of average cost per registrant, and I wonder if he could give me the figures from 1980 through to the projected figure for 1983.

The reason I would like to have it for 1980 is because I had figures for '80, '81 and '82, but I want to know whether they jibe with the actual records that the Minister has.

**HON. L. DESJARDINS:** I gave the claims. We have the registrants. Do you want those from '80 also? We started

at '81. Do you want '80 for those too? I might as well give you that.

**MR. L. SHERMAN:** Okay, thanks.

**HON. L. DESJARDINS:** No, I'm sorry. I am offering you something I haven't got. I haven't got the claims for '80, so I better stick to the question.

The average cost then in '80 was \$118.90; 1981 was \$140.13. The estimated for 1982 is \$158.08, and the estimated for 1983 is \$170.72.

**MR. L. SHERMAN:** Mr. Chairman, can the Minister advise where we stand with respect to drug utilization? Are there studies? Is there a drug utilization review going on; in particular, are there studies being conducted with respect to drug utilization among the elderly? I concern myself, as I'm sure he does, in particular, with problems such as drug interaction among the elderly, unhealthy interactions among different drugs that elderly persons may be taking under prescription. It's a subject that's of considerable concern to the College of Physicians and Surgeons, I know, and certainly they have had some things to say about it in recent years.

It's a subject that's of considerable concern in other provinces. I presume it is here. Do we have an exercise under way in the Department of Health, or in the Minister's office, or at the Commission, or in the Pharmacare programming area, to review drug utilization among the post-mentally ill, among the elderly in our personal care homes, and among the public generally?

**HON. L. DESJARDINS:** Mr. Chairman, that was something very important and that would help combat the abuse of drugs. I remember that I had a small part to play when we initiated this Pharmacare Program. I was Chairman of the Commission for that 10 months or so, and I know that our recommendation to the then Minister, it was Mr. Miller, I guess, would be that we would have a monitoring component in it and it was felt, after a study, that the would cost would be prohibitive.

It was always agreed that it would be a good thing. I'm talking about a real system where we could have been able to check that, so that was abandoned, and now I'm told that the only thing is through the review of claims only. It is a manual review and if they see that some claims seem to be prohibitive, well then that is referred to the Attorney-General - if there's found that there is something - and if there's any doubt, well it's referred also to the College of Physicians and Surgeons and that is the only monitoring that we've had. I think that has existed from the first year in 1975. There has been no change on that and there's none being contemplated at this time.

**MR. L. SHERMAN:** Well, Mr. Chairman, does the Minister not think that we should be seriously considering doing a great deal more in this area? You have, as he well knows, cross-use of drugs among the elderly, many of which are inclined to create unfavourable reactions and side effects, because they compete and conflict with each other. There has to be

an education program which advises and informs the elderly of what pharmaceuticals, what medications mix with what, and what ones don't mix, and it doesn't always amount to mixing medications. It can be medication mixed with something else. Some type of food, some type of alcoholic consumption, or some other type of ingested commodity and the subject area is one that has certainly drawn some focus of attention in a number of jurisdictions.

I would hope that in Manitoba, we are attuned to the importance of that and alert to it, and some consideration can be given to a plan which would permit a closer scrutiny of drug utilization, particularly among the elderly, but also among the post-mentally ill. I think that probably the kind of scrutiny and care that's maintained in personal care homes is doing an adequate job - and perhaps even an excellent job, in monitoring the practice of drug utilization in the nursing home field, but even there, I would think that we have a responsibility to take a look at the situation and satisfy ourselves that medications are being prescribed and administered; not just one, but both, prescribed and administered, among the elderly, residents of nursing homes, in a way that is most efficacious for their health and least likely to create damage and difficulty for them.

It represents an area that I think constitutes a growing problem, a growing challenge, in the Pharmacare and drug prescription field and in the whole health field generally, and I would like to see something, perhaps under the Drug Standards and Therapeutics Committee, some body established that could explore the viability of a monitoring procedure, that would be more effective than what we're able to achieve right now, and that could make recommendations to the Minister, as to how to get a handle on drug utilization and propose something to him that he could then propose to this House. If it's going to cost \$10 million, naturally he's going to get an argument over it, but if it's something that is reasonable in cost, I think that he would find there'd be considerable support from this side.

**HON. L. DESJARDINS:** Mr. Chairman, I know that in the personal homes it is done, not only with the staff of the personal care homes, but the staff of the Commission. So we're satisfied that it's being done there and it's being done well.

Now, for the rest of the population, there is no doubt that I certainly wouldn't debate with my honourable friend the value of his suggestion and that's what I was trying to show him, that even in 1975, that was my feeling. I had no responsibility, of course, in determining the policy of the money that would be spent, but as the Chairman of the Commission, I certainly could see the value of that.

I don't think the need is increasing now. I think it was always there. In fact, there might be a little less abuse now because of the help of the medical profession. We'd have to computerize everything. We'd have to get more of the information, as I mentioned, to be able to do that. The thing we'd never get is all the prescriptions, because there's all those that are getting less than - mind you it would catch probably the worst, because they would use the Pharmacare extensively, but they wouldn't put in the claims under a certain amount of money, and so on, so it would be very difficult.

But I certainly will note with interest, the interest of my honourable friend. It might be helpful to me later on when we review it in trying to convince the powers that be, that maybe we should move in that direction. We will. I'll make that commitment that we will look at it, to see without adding too much cost, if we can improve this, if there's anything we can do, then I certainly can report to him but apart from that, it is something that we might - I don't think this is the year to bring any new change that'll cost an awful lot of money, especially when we spend quite correctly the first time of the concern of a 30.9 percent increase that I'm asking in these funds at this time and the total deficit that we have in our budget and the economic situation, but apart from that, I think that when we look at this committee, I think it is fair that we should forget the dollars and cents at this time; that will have to be taken care of later on. I certainly welcome the suggestion and the interest of the honourable friend. I'll note, as I say, that we would get support from the members of the opposition on this.

**MR. L. SHERMAN:** That would be very good, Mr. Chairman, I'm pleased to hear that.

I would ask the Minister whether the profession itself, the pharmaceutical profession, is continuing to do and even is perhaps expanding on an initiative that it undertook, first, two or three years ago to tag particular medications - I've just forgotten whether it was entirely in the non-prescription drug field, it may have been, I would appreciate his officials refreshing my memory on that point, but certainly at least in the non-prescription drug field, there was a system of tagging and flagging medications in such a way as to present a coded warning as to what would mix with what and what would not mix with other medications, ingredients or foods. Is the profession, itself, continuing to do that sort of thing? Is there any expansion or refinement or improvement of it, and is there any consumer education program that is either in place or being contemplated to expand the public's knowledge of and awareness of the very crucial, the very important and sometimes the very dangerous quality of medications, particularly, when they were mixed unwisely?

**HON. L. DESJARDINS:** Mr. Chairman, I'm pleased to recognize publicly that we've had very responsible pharmacists in this province. I'm not making any comparisons with anybody else, but speaking for Manitoba, this voluntary program has been expanded, and there has been nothing but co-operation between the pharmacist and the staff of the Commission who has been helpful, worked together to expand the program and to prepare the program for advertising to inform the people. I might say that this includes all drugs, not only those under prescription, all drugs that should be taken into consideration.

**MR. L. SHERMAN:** Mr. Chairman, did the Minister say at one time, or did I dream it, that it was the intention of his government to move to a point where the pharmacare deductible was eliminated for senior citizens in this province? Before he rears up an outrage over my trying to back him into a corner, I want to tell him that I certainly said that when we were in office,

that it was our hope and intention to move as rapidly as possible to a position which would see the drug costs of senior citizens, of all Manitobans over age 65, provided by the province free of direct charge to them; in other words, eliminating the deductible for senior citizens. I recognize the budgetary problems that he's got, but what I want to know if it was just me who said that, or whether he also said that, and whether he intends to move in that direction, or am I just dreaming that he said that?

**HON. L. DESJARDINS:** Mr. Chairman, I don't feel that I'm backed into any corner, and I'm sure that is not the purpose. I might say that you usually, and that goes for all of us, dream in opposition and have nightmares in government. I might say that is also a dream of mine, but right now there is very little hope of that. It's something, I think, the concept of no fees or no premiums for health care and so on, it's the same concept, and it's something that we would like to see. Of course, it's not something that's going to be done this year or next year, it might come. It certainly should be a dream of all of us, except that I'd have a concern, before doing that, even if we had the funds, if I had the money to do that, I would want to make sure that would not provide more abuse to people, because that is a danger.

I know, for instance, in Israel, in a visit that I had in Israel I visited the hospitals and they have kind of a clinic. They didn't have medicare like we have it, it's through the unions. Practically everybody is covered, but it's not the government; it's done through the union and they have - it might be an old residence - they have clinics and everyone of them had a dispensary, a little drugstore, and they were doing many of these things, and that was leading their country into bankruptcy. They were very concerned, I think they had the reverse their stand, and there was an awful lot of abuse.

I remember asking the doctor, well what is it? Is it that you find some of these people have a small drugstore in their home? He said, correction, they have a large drugstore in their home. They'd see the doctor and automatically they go and pick up their drugs, all the drugs were free, and it created some abuse.

Now I think the principle is good, but I'm sure that my honourable friend would not want to do anything that would encourage that kind of abuse. I'm not saying it couldn't be done without that, but that is something that if we ever came to that, if we ever had the funds and consider that, I'd want to have a real good look at it to make sure we don't create that kind of situation. There are still some people - and we're talking about senior citizens - and I'll be careful not to say little or old or little old man, but there are still some of those people that might be going around and then they'd change - it's not the doctor so much - but they would go to different doctors and different clinics and come back with all kinds of drugs.

I've always been very concerned about abuse in drugs. Now, I'm leaving the senior citizen, I'm talking about abuse, maybe I'm changing subjects a bit, but it is a concern of mine. I've seen somebody that was very dear to me, very close to me, and I've seen what happened with drugs, and abuse of it, and I'm not

talking about people smoking pot or any of these drugs, I'm talking about prescribed drugs - often times because of a lack of knowledge or doctors wanting to accommodate people. I've seen some abuse, and I've seen an awful lot of suffering of that, so that might be one of the reasons why some might say that I might be a little overconcerned. But the principle of having free drugs for the people that need it, such as they have in personal care homes, I think I would only go for that if it was clear; if what we were talking about earlier, I might say, my honourable friend, where we could monitor that, where we could make sure there is no abuse, I think that would be my first preference; and I would want to see that in place before recommending that we have free drugs for everybody.

The other subject that we were talking about, about the concern and the monitoring; if I were to look at prioritizing the two programs, I would want to prioritize that first and only then probably even if I had the funds would I suggest that we have free drugs for everybody where we could monitor and make sure that there is no abuse. But it is a dream well worth dreaming, and I certainly join my honourable friend in that and wishing that this might happen some day.

**MR. L. SHERMAN:** Just so there's no misunderstanding, Mr. Chairman, I appreciate the Minister's comments, but I don't mean to give the impression that I advocated as Minister of Health or that I advocate today as chief Health critic for the opposition free drugs for everybody. I believe in the deductible system. I believe in the co-payment, participatory feature that we have in the Pharmacare Program. I think it's one of the strengths of the program, and it is a principle that enables society to engage in universal health programs successfully when there is a co-payment, participatory feature. Not only does it prevent the government from going broke, but it makes all of us very aware as individuals that such programs are not free, but in fact cost money. So I am not advocating that we get into a program of totally free Pharmacare, but I do think that there is merit in trying to move in that direction for senior citizens, for certain categories. I am interested in the Minister's remarks and his interest in the same concept.

I would think that one way in which it might be approached is that those of us between the ages of 18 and 65 carry a bigger share of the burden, and that the deductible for us be increased so that the deductible for the over 65s can be eliminated. That is one approach, one concept, one thought; I'm sure it's one of only many that the Minister and his advisors would be considering in the mix of possible proposals in this area when it's fiscally possible to start moving in that direction.

Mr. Chairman, I wanted to ask the Minister just a couple of other things about Pharmacare. One is that I wanted to ask him whether he or his officials could give me an estimate as to what percentage of the cost of Pharmacare, of the volume of claims, and the cost of the program are we talking about when we talk about the senior citizen category. In other words, presumably, it would be quite expensive to get into a premium-free or deductible-free type of Pharmacare for senior citizens, because even though they constitute perhaps

only 10 percent of the population, I think there is no doubt that they would constitute a much greater percentage than that of the volume of registrants claiming under the program and using the program. Can the Minister advise the committee of what sort of percentages we're talking about here? Does the over-65 group, for example, account for half the \$19 million Pharmacare budget? Obviously, Mr. Chairman, that point is central to any kind of disposition or decision to move in a direction that would see the deductible for senior citizens eliminated.

**HON. L. DESJARDINS:** Mr. Chairman, yes, I knew that the honourable member was talking about the senior citizens when he suggested that. I guess we all know that the people in personal care homes are covered, that there is no payment at all. As far as the people up to 65 paying a larger portion, well, that is being done now, that hasn't been changed. There is a \$75 deductible and \$50 for the others, still \$50.00. We haven't got it broken down, but I am told that there are roughly 50 percent of the total costs, that is, people over 65 not including - because that would add to the percentage - the people in personal care homes because that's free. In other words, there is more than 50 percent that would be for the percentage of people over 65 years old.

**MR. L. SHERMAN:** So if you're looking at anything like the kind of initiative that the Minister and I were just discussing, you're not looking at 10 percent of the cost of your program. You're probably looking at 50 percent of the cost of your program.

Mr. Chairman, I assume, at least I think I heard the Minister say that the government is in negotiations at the present time with the Manitoba Pharmaceutical Association with respect to the fee schedule for their dispensing fees for the coming fiscal year. But could the Minister give me just to confirm my information or my impression that as of March 31, 1983, the end of the fiscal year just ended, that the dispensing fee in Manitoba was \$4.80. Is that correct?

**HON. L. DESJARDINS:** That's correct, Mr. Chairman.

**MR. L. SHERMAN:** Could the Minister give me a figure on the average cost per prescription in 1982, which I presume would be the last year for which he would have records? My figures show the estimated average cost per prescription for 1980 at \$9.25, and I would appreciate confirmation or correction on that; for 1981, \$10.50, and I'd appreciate confirmation on that; and a figure, if he's got one, for 1982.

**HON. L. DESJARDINS:** 1980 confirm is \$9.25; 1981, \$10.30; an estimate only in 1982 of \$11.75.

**MR. L. SHERMAN:** \$11.75, and 1981 was \$10.30 or \$10.50?

**HON. L. DESJARDINS:** 1981, \$10.30.

**MR. L. SHERMAN:** \$10.30, okay. Thank you, Mr. Chairman, that's all the questions that I have on Pharmacare.

**MR. CHAIRMAN:** Item 7.(5) Pharmacare Program—pass.

7.(6) Ambulance Program - the Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Chairman, I have a number of questions I would like to ask about the Ambulance Program, but I know my colleague, the Member for Swan River, also has some points he would like to raise in this area. He represents a part of the province which perhaps suffers more than most, if not all other parts of the province, in terms of the challenges that it faces in maintaining and achieving a fair and equitable ambulance service for its residents. I would defer to the Member for Swan River at this point in the consideration of this line of the Estimates.

**MR. CHAIRMAN:** The Member for Swan River.

**MR. D. GOURLAY:** Thank you, Mr. Chairman. I would like to ask the Minister if he anticipates bringing in a new grant formula with respect to ambulance services in the province?

**HON. L. DESJARDINS:** No, Mr. Chairman. We are still looking at a grant based on the census. The only change that we've had, 1976 census since 1978, based on 1976. Now, 1983 will be based on 1981, the latest census that we've had. The minimum was per each person, and that was 1982 was \$1.50 for the maximum of 2.20. That'll be increased to a minimum of \$1.65, to a maximum of \$2.40. But it's the same formula and there's no other increase than that. The total increase that I'm asking on this is an increase of 215,000 or 9 percent. We've stuck with the 9 percent on that.

**MR. CHAIRMAN:** The Honourable Member for Swan River.

**MR. D. GOURLAY:** Some time ago the Department of Health initiated a review of the whole Ambulance Program. I know that a couple of chaps visited the Swan Valley area and I presume they toured the whole province. I believe the department received the benefit of that review some time ago. I'm just wondering, I can't recall, but has that report been tabled or where is that review situation at at the present time?

**HON. L. DESJARDINS:** I visited the district and I'm aware of, and I must say that I sympathize with the, what they conceive as a problem. The situation is this, they're very close to being called the North and if they were a little higher up they would be the North. They would qualify under another program that's only for the North. But, no, there has been no change at this time.

It's something that, yes, has been looked at and will be continued to be looked at. But it is felt that this is something we cannot get approval at this time because of the situation with the deficit. As I say we've increased the department of what, 11.-something, the commission and the department, I think the increase so far, we're asking in general, and this year is 11.6 program, the new construction we'll have besides that.

When I'm talking about 11.6, that's not the total cost of the program. That is for the hospital. I think the total

for the program, actual money, I think it's more in the 19 to 20 percent isn't it?

So it is something, yes, I understand the situation. I have some sympathy for the people in that area. But you can understand that if we said the North would be coming down, draw the line a little lower, the people at the borderline would have the same - it's pretty well the same problem as people that are near the border of Saskatchewan and talking about the taxes, and so on, and eventually you would have to do the same as everybody else. They are somewhat penalized on that.

I don't know if it's a penalty, I might say though that when that program was started, I think it was started when I was the Minister responsible, it wasn't meant, it's the chance you take whenever you start a program and then people figure, well then you have a responsibility, you should pay for all the costs. It was just to help in purchasing equipment and that kind of stuff mostly. And it was agreed that it was a grant per population. That's what it is.

But there is, I do recognize that compared to a place a little north of that, they are not receiving the same benefit. The same as the city in other areas are not receiving the same benefit and unfortunately I can't announce any change in that that would favour Swan River at this time.

**MR. D. GOURLAY:** Well, I thank the Minister for his comments. I've had recent discussions with a lot of municipal people in the Swan Valley area. They are very concerned with respect to the ambulance service in that area. We are provided with excellent ambulance service and I guess people are expected to pay for that kind of service.

But at the present time the grant for the area is approximately \$25,000.00. The municipal assessment is another \$25,000.00. Their total budget for the ambulance there is around \$150,000.00. So there is about \$100,000 that has to be picked up by user fees.

Anyone requiring an ambulance service to travel from Swan River say, to Winnipeg, the basic user fee is \$390.00. Of course, there's additional charges depending on the kind of attendance that might be required for the patient. So on the average the cost is close to \$500 user fee, as well as a fairly significant municipal assessment that people are paying. Of course, the grant is very much appreciated.

But I think what the municipal people are telling me that because of the distance - and the Minister has alluded to the fact that we are really neither north nor south, we're just in that area that is in that situation. But the people would like to see if the formula is revised that some account would be taken as far as the mileage. In addition I believe you use the population and assessment at the present time. So a factor that could also take into account the distance factor would be certainly appreciated.

But I appreciate the opportunity to make these comments with respect to the Ambulance Program. I do appreciate too that it takes a lot of dollars to accommodate this kind of a program.

**HON. L. DESJARDINS:** Mr. Chairman, I'd like to thank the honourable member for his remarks. As I say I'm certainly not going to pick an argument with him. I

sympathise with him. I'd like to see that change. I think it is a reasonable suggestion. It is something that we've looked at, and something that we will continue to look at.

All I say, and I must be forthright in this, I can't announce anything this year. It's something that we'll be placing in front of him. As one of the options as my honourable friend who sat in the front bench of this government last year, or a few years ago, will understand we don't get everything that we want. But it is a worthwhile suggestion. It is something that we will keep as options. I don't know if we'll be more successful next year but I would like to give that information.

**MR. CHAIRMAN:** The Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Thank you, Mr. Chairman.

I'd like to ask the Minister for a status report on the drive to provide paramedic capabilities in City of Winnipeg Ambulance Service, and indeed in other ambulance services throughout the province, in particular though, at least to begin with, paramedic capabilities in the City of Winnipeg service.

Where do we stand with respect to the desired merger in terms of professional commitment in ambulance service between the ambulance service itself, and the City of Winnipeg Fire Department? Is that impasse anywhere near resolution?

**HON. L. DESJARDINS:** Yes, Mr. Chairman. I think the easiest way, I have a short statement that was prepared, anticipating this question. So I will put this on the record.

On March 16th, 1983, the city council decided not to proceed with the amalgamation of the fire and ambulance services. They disbanded the Winnipeg Ambulance Commission and brought the ambulance service under the Commissioner of Finance who also has the responsibility for the Fire and Police Departments. The Commissioner of Finance was given the responsibility of developing operating procedures for the emergency services. Ongoing consultation is proceeding and they are at present advertising for a Medical Director who will have a university appointment. Now, I might say that this was not discussed and was not approved by the Commission, I'm just giving you the statement of what was done by the city.

In the past year, the city received a special grant from the province of \$282,500 to assist the ambulance service. As part of the implementation of the Peterson Report, the city chose to train at least a part of its Fire Department to the first responder level. To date, 144 of the fire fighters have been trained. The training has been provided by a few Winnipeg Ambulance Service employees who were seconded to the Provincial Government. Although amalgamation will not take place, the city still plans on using the fire fighter, the first responders, and in fact hopes to expand the program. The first responders have been used successfully in the Transcona and Charleswood areas. Following the hiring of the Medical Director, they hope to institute an advanced life support system to Winnipeg which would include the training and use of paramedics.

**MR. L. SHERMAN:** That's encouraging to hear, Mr. Chairman. Is there a training and educational capability

that's being set up to accomplish the necessary instruction over and above what exists in the ambulance service and the City of Winnipeg Fire Department fire service at the present time? Is there a college, or a course at a college that is being implemented to provide that training and to recruit persons wishing to go into ambulance training and paramedic services?

**HON. L. DESJARDINS:** We are presently negotiating with Red River College to see if they'd offer the course. There's negotiating going on with this at the present.

**MR. L. SHERMAN:** Mr. Chairman, there was a fairly extensive in-depth ambulance review carried out by the previous government of which I was a member. That review contained a number of important recommendations. Certainly it's been a sort of longstanding or an ongoing ambition of many of us to see the response time of the City of Winnipeg Ambulance Service improved, particularly in various surrounding suburban parts of the metropolitan area; also, to see the capability of ambulance crews, ambulance attendants, brought up to a level that could guarantee the kind of service, safety and security that is apparently guaranteed in some other North American cities who have pursued the merger of their ambulance and fire services in this respect with great success. I cite, like Seattle, Washington; Houston, Texas, as two examples of that kind of successful initiative.

Are there aspects to the review into the ambulance services to which I referred a few moments ago that are related to this merger concept and this merger initiative that the Minister is pursuing at the present time? Or is the merger initiative purely one related to his office and the City of Winnipeg, and the City of Winnipeg Ambulance Service? In other words, were there some recommendations in that review related to the merger concept that are being explored or being pursued by the government at the present time over and above the obvious one of just merging the two services?

**HON. L. DESJARDINS:** Mr. Chairman, yes, there are certainly some well worthwhile recommendations on that. I might say that there has been a delay - or I don't know if you'd call it a delay or a freeze - because of the indecision of the City of Winnipeg or the period of the time needed by the city to decide on the amalgamation. As I say, there was a delay but negotiation and discussion will continue to see what can be implemented. I think my honourable friend is talking about the Peterson Report; we will be looking at that again.

Now, there has been, I might say, also a request by the city that the province should look at the possibility and we covered that during the Estimates - I just want to relate to the ambulance part of it. The province would take over the responsibility of delivering health services to the city. Although there has been no final decision on that, well, I won't comment on the motives, but it was felt that it took a long time in deciding and somebody, some unkind person, felt that maybe it was in the hope that maybe the province would take it over. Well, that doesn't mean that if we did, and we're far from arriving at a decision, but even if we consider



taking over the delivery of health that doesn't mean that the ambulance would come with it.

This would not be a recommendation that I would make. We're not doing that in the rest of the province, and it would be this kind of a program that we have. But, as I say, there were a lot of good recommendations in that and we'll be looking at that with the city.

**MR. L. SHERMAN:** Well, the take-over item that the Minister just referred to is the argument that says that ambulance services are really an extension of the hospital service. Am I correct in that? The take-over reference that the Minister made is a reference to the argument that says that the ambulance service is really now an extension of the hospital service and should be considered as part of the hospital service and therefore should be an insured service under Medicare. Is that what the Minister is referring to?

**HON. L. DESJARDINS:** No. Well, this is another point that is being used. I know that the municipalities would love the province to take it over. We certainly haven't accepted this principle - not yet anyway.

No, I was referring to the request, apart from the ambulance, the City of Winnipeg, as my honourable friend knows, in the core area, the former Winnipeg, they used to deliver the health care - not the department, they received a grant. The other, of course, St. Boniface and St. James used to deliver it.

We have been approached by the city to look at the possibility of taking over and some people felt - I don't know if that was fair - that they were dragging their feet on the question of the ambulance hoping that if we took over the care we would take over the ambulance.

I just want to go on the record here again that there's no use in waiting because that's not part of it at all, but we will look at the report. There was a delay and there was nothing done that time. I think we had funds; I think funds were voted in my honourable friend's time to help in the training in that and it wasn't picked up until just lately.

**MR. L. SHERMAN:** Oh, I see. Well, I'm glad to have clarification on that take-over point, Mr. Chairman. I understand what the Minister is saying on that point now.

But the other "take-over" discussion had to do with the suggestion that I referred to a moment ago, and I'd appreciate here just learning from the Minister where that argument stands in terms of interest and priority in his department? There certainly are elements and interest groups in the province and in the city, and the Minister is well aware of them, who argue that modern medicine and urbanization both have become such sophisticated aspects of our lives that you cannot any longer separate ambulance services from hospital services in the urban setting - and I emphasize the urban setting - and that, therefore, we should as a province be looking at absorption of an insured service in the ambulance field under the umbrella of the Manitoba Health Services Commission and its whole spectrum of insured programs.

Does that objective rate, or count, as an objective in the Minister's office and in the councils of the

government at the present time? Is there any active thought being given to that?

**HON. L. DESJARDINS:** Mr. Chairman, I refuse to answer that on the grounds that it might incriminate me.

**MR. L. SHERMAN:** Well, I don't know whether I would conclude from that, Mr. Chairman, that the Deputy Minister comes into the office every morning, talking about turning the ambulance service into an insured program, or comes into the office every morning threatening to leave if that happens; but I'll continue to press the Minister for an indication on that point.

Could I ask the Minister about interfacilities . . .

**HON. L. DESJARDINS:** All I can say at this is the Deputy Minister is cheaper than the Minister is.

**MR. L. SHERMAN:** Well, that's certainly a factor to be considered. What about interfacility transfers, Mr. Chairman? We looked some time ago at covering the interfacility transfers in a way that provided more ensured support for users of the ambulance service. Does the Minister have any plans in the immediate future for providing insured coverage of interfacility transfers, or moving in any way to provide insured coverage of part of the regular ambulance fee?

**HON. L. DESJARDINS:** Mr. Chairman, in the hope that we might finish this now, yes, I might say that the question that was asked before, this is something that would be considered and, obviously, it's a question of dollars and cents and priorities.

Now, the other one, as I think the member was saying, that it is, as he knows; it's insured now - interinstitution or facilities - providing they come back the same day. If we move in the direction of taking over, that probably would be the first part of it that would be taken over. It makes sense that that should be.

**MR. CHAIRMAN:** Item 7.- 6, Ambulance Program—pass.

Order please. The hour being 4:30 p.m., it is time for Private Members' Hour. The committee will reconvene at 8:00 p.m. tonight.

## IN SESSION

### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** Order please. The time being 4:30, Private Members' Hour, the first item on our agenda for Thursday afternoon is the adjourned debates on Second Readings of Public Bills.

On the proposed motion of the Honourable Member for St. Norbert, Bill No. 41, standing in the name of the Honourable Member for Concordia. (Stand)

On the proposed motion of the Honourable Member for Brandon West, Bill No. 56, standing in the name of the Honourable Member for Springfield. (Stand)

Adjourned debates on Second Readings of Private Bills.

On the proposed motion of the Honourable Member for Inkster, Bill No. 38, standing in the name of the Honourable Member for Roblin-Russell. (Stand)

Bill No. 59, the Honourable Member for Inkster is not present.

## PROPOSED RESOLUTIONS

### RES. NO. 8 - APOLOGY TO U.S. FOR MEMBERS' PARTICIPATION IN DEMONSTRATION

**MR. SPEAKER:** Private Members' Resolutions. On the proposed motion of the Honourable Leader of the Opposition, and the proposed amendment thereto by the Honourable Minister of Natural Resources, Resolution No. 8, standing in the name of the Honourable Member for Elmwood, who has eight minutes remaining.

**MR. R. DOERN:** Thank you, Mr. Speaker. I guess it was about two months ago that there was little more than what journalists now describe as a "photo opportunity," when somebody in a mask at a demonstration, aside from the main body, took it upon himself to burn a homemade flag. The interesting thing is, Mr. Speaker, that the members of the Conservative Party have ever since, attempted to keep that flame going, to keep that flame burning. They never attempted, from that time to the present, to put that fire out.

On occasion, they have gleefully stood on the sidelines acting like arsonists and delighted at the prospect of the flag that was burned at that particular demonstration. Mr. Speaker, I think that if there has ever been any damage done, and I don't know whether damage has been done; but if damage has been done to any of the Garrison negotiations or Canada-U.S. relations, then they must bear a portion of that particular blame.

Mr. Speaker, the two Ministers who attended that particular demonstration have already given their explanations and clearly and forcefully disassociated themselves from that particular action. They have made clear their views, and justifiably so, that they saw the actions of the American Government in regard to Nicaragua, as something that they were not in favour of. You know, Mr. Speaker, if you look at what is happening right now in the United States, you can clearly see that millions of Americans and dozens and dozens of congressmen and dozens of newspapers are all concerned and all speaking out against American involvement in South and Central America and are all expressing the same concern that they have for the avoidance of another Vietnam debacle.

Mr. Speaker, I think that it is important that we, as Canadians, feel no hesitation in drawing to the attention of Americans and American politicians, that we do not share some of their policies towards the nations of the world, in this particular case, the Central and South American policies of the American Government. I think it is also our duty to draw to their attention where and when we think that they have gone wrong. I say that in sharp contrast to the level of debate on this particular issue in this particular Chamber where we find the members of the opposition slavishly following the American line, and expressing admiration for the American President in regard to his policies in Nicaragua, El Salvador, etc.

Mr. Speaker, I said this before and I say it again, I think in the process they have become so enthusiastic

about the opportunity to strike against the government that they have forgotten they are Canadians and Conservatives. They sound very much like right wing, Reaganite Republicans from the United States. I see no distinction, in fact, with this zealotry that has come from the opposition benches and the kind of enthusiastic support that comes from the far right in the United States. We all know and holding aside the Amway dealers and holding aside the Peter Pocklington types and so on, we all know that the political spectrum in Canada is far more moderate than in the United States; that the whole political spectrum in Canada is to the left of the U.S.

Let me put it another way so that the Leader of the Official Opposition will agree with me. Is it not true that the entire American political spectrum is to the right of the Canadian political spectrum, because that's certainly the way I have always seen it? — (Interjection) — There is no doubt about that? So let's say a moderate Conservative in Canada would probably be regarded as some kind of a left-winger or as a Liberal Republican in the United States.

**MR. R. DOERN:** Mr. Speaker, I think that, as a Canadian and a Manitoban, I have no hesitation in supporting the positive amendment that was added to this resolution calling for close and friendly relations between our province, our country and the United States. I think at this late date the great Manitoba flag debate is over and that it's what might be described as a flash in the pan. It is now a case of raking over the ashes of this particular debate.

It reminds me very much, Mr. Speaker, of the original flag debate that took place in the Pearson years, where eventually I think the whole thing was put into context by the great Canadian cartoonist, Macpherson, who showed Tommy Douglas and John Diefenbaker and Lester Pearson dressed as children playing in the sand with sand pails while overhead were planes and great issues and so on were taking place. I think there has been far too much attention placed on this particular debate while much more significant issues have been let go and we have spent far too much time on it in this particular Chamber.

So I think it was an interesting exercise, but I think that members of the official opposition lost perspective and I think history will show, Mr. Speaker, that this was an interesting debate, a heated debate, but in fact it was simply no more than a disagreement on the foreign policy of the United States in regard to Nicaragua. The Conservatives show that they support that policy of intervention, and the New Democratic Party suggests that they are not in favour of that particular intervention.

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

**MR. C. MANNESS:** Thank you, Mr. Speaker. I'll ask you to bear with me as I try to collect some of my thoughts. I hadn't planned to speak on the issue today.

First of all, I can tell you, Sir, that it was some three or four weeks ago that I had the opportunity to read much of the debate that occurred on an evening a month-and-a-half ago or shortly after the incident. I was more or less overwhelmed, I suppose, with some

of the arguments that came forth from members opposite, or the attempts to at least explain why they were in attendance at the particular episode; also their attempts to explain as to why they thought it was necessary to demonstrate against the United States particularly and their involvement in the particular Central American dispute.

It was also interesting to read some of their, I would say, heartfelt remarks as to the United States and of course, I treasured very much many of the comments of my own colleagues. I could say right now, of course, I wasn't in attendance that evening - it was one of the few evenings that I hadn't been up to that time - and without having been there, one could read the emotion in the words. I find it very strange that the Member for Elmwood says just five minutes ago that it was an interesting exercise and that maybe we lost perspective, and indeed that we attempted to make it an emotional issue, something like the flag debate of years previous.

Of course, it begs the question as to how could anything dealing with a friend and particularly dealing with a friend's flag, how could it be anything other than an emotional issue? Indeed, there are some things in life when trampled upon or when insulted, of course, crosses every barrier and leads directly to emotion and of course, this was one of them.

Again I repeat, having had the opportunity to peruse Hansard of that particular evening that led late into the hours, you could just feel the emotion that was brought forward into that debate. I suppose it was meaningful at the time and I don't think anything has changed.

Mr. Speaker, going on from that particular point in time, and again not having not been in the House that evening, I can tell you that it has become an emotional incident not only to those of us who were here that evening and obviously it was an emotional incident to the members opposite who felt justified in being in attendance, but I can tell you that the constituency of people who feel involved emotionally is much greater than those of us here. Certainly, many of my constituents feel involved emotionally, also, and I can show you, Mr. Speaker, several letters to my person from constituents who have felt embarrassed and, to a degree, insulted by the actions of members opposite.

I think it was pointed out in debate, many of us, on this side, and I would have to think many of us in this whole Chamber, have relatives and good friends in the United States. The source of many of the letters that are directed towards me, of course, come from my constituents who have relatives in the states, people who have asked them to explain exactly what has happened. Of course, they're not entirely sure so, consequently, they take the effort to write and ask me. I find myself in the position of having to attempt to explain, on behalf of the members opposite, why they were in attendance and why this particular American flag was burnt. I ask the question, why do I have to explain their presence and their activities?

**MR. A. ANSTETT:** You don't have to, just send them a copy of our speeches.

**MR. C. MANNES:** Well, there we have the Member for Springfield saying, well we don't have to.

**MR. A. ANSTETT:** No, you don't have to, but we have to.

**MR. C. MANNES:** Well, I don't know how he reacts to letters from constituents when they pose direct questions to him, but when I'm posed with a direct question from constituents, I do my best to answer them, and I do in this case.

**MR. A. ANSTETT:** And I say, give them a copy of our speeches.

**MR. C. MANNES:** Well, Mr. Speaker, the member says, send of copy of their speeches. Well, how do you read anything out of their speeches. You can hardly follow them in any other respect and it's not much easier in that regard. So, that's the first incident that draws each and every one of us into this whole debate, the fact that all of us are being addressed by constituents for a further explanation and a more full explanation as to why members of the government felt obliged to be involved that particular evening.

Well, I wish I had the time to prepare it, but I could also have brought with me a letter from a local councillor by the name of Dan Thiessen, who is a councillor from the municipality of Morris who just a week ago, and if members opposite believe that this is an issue which is beginning to lose some concern amongst our American friends, I can tell you, as of a week ago, there was a councillor from the R.M. of Morris, who was in attendance at a meeting, I believe, it was in the Fargo area, of rural Legislators, and for a considerable period of that meeting he was questioned by his American counterparts as to really what happened in that particular event, and it became . . .

**MR. R. DOERN:** What did he say?

**MR. C. MANNES:** Well, here we have the Member for Elmwood asking me the question, what did he say? Well, he could ask me the question. What could I say? I wasn't there, I don't have the full understanding of the thinking of the members opposite as to why they were there. He's asking me to take their inner thoughts, to somehow garner their inner thoughts, to control them and to pass them on to the individual in question . . .

**MR. A. ANSTETT:** It's in print in Hansard.

**MR. C. MANNES:** . . . and therefore let him do their explaining to the people of the United States.

**MR. S. ASHTON:** Inner thoughts, it's on the record.

**MR. C. MANNES:** Well, Mr. Speaker, that makes no sense, and I can tell you . . .

**MR. A. ANSTETT:** This is a lot of fudge so far.

**MR. C. MANNES:** Well, Mr. Speaker, it's obvious that the members opposite have no acquaintances south of the 49th parallel. Obviously, they've had to do no explanations whatsoever to relatives or friends south of the border and, if they have, they maybe have been fortunate enough to do their own explaining, but in our

case we have to do their explaining for them and that's what we find so upsetting in this question.

Now, back to this councillor, Mr. Speaker. This particular individual said he spent about two hours of a meeting in closed Session with individuals that he knows pulling him back into the corners, wanting to know why this had happened. They wanted his full explanation, and the particular councillor came back and wrote a letter, which any individual in this House can see, if they so wish, in the *Scratching River Post* - I believe that copy has just come out over the last two days. They can find for themselves as to his comments and his conclusions on the whole episode. I can tell you that he, as an individual, is one very upset person, because that was not the intent of the meeting, but that was what he had to spend most of his time doing during that particular day.

**MR. R. DOERN:** What party does he belong to?

**MR. C. MANNES:** Well, isn't that an interesting question from the Member for Elmwood, what party does he belong to? You know, I wonder what one reads into that question. Does that mean because he comes from Morris and he wrote a letter to the *Scratching River Post*, is that the reason the member asks to what party does he belong; or the fact that he's a councillor, is that the reason for the question; or the fact that I quoted him, is that the reason for the question? I would love to know the reason for the question.

You know it was just in committee, in the Crow Rate Hearing Committee, that a witness came up here some, I believe, two or three weeks ago and a committee member asked that particular person to what political party did he belong, and he was taken to task by members present for asking that question. Here we have the same Honourable Member for Elmwood who's been a member of this House for, how many years?

**A MEMBER:** Too long, too long.

**MR. C. MANNES:** Well, that number of years, asking that same question. Well what political party did he belong to? Mr. Speaker, I think that to ask that type of question in this debate that makes no sense whatsoever.

Well, Mr. Speaker, I think the Member for Elmwood says, when is this issue going to end?

**MR. R. DOERN:** It is finished.

**MR. C. MANNES:** Well, he says, it's finished, and yet I can make reference to, like the Member for Elmwood does so frequently, to a *Winnipeg Free Press* article dated Saturday, April 2nd. It's not an article, it's actually a letter, it's in the *Readers Forum*. I'll quote, and it's signed by a J. C. Thompson, Fargo North Dakota, and, of course, the Member for Elmwood may ask what political party he belongs to, too, but nevertheless I don't know the man and I have no suspicions one way or the other, but the letter goes something like this: "As a former Manitoban now living in the United States, I was shocked and, needless to say, very ashamed when I saw on national TV here," meaning in the States. "that Tourism Minister, Muriel

Smith, and Minister of Natural Resources, Al Mackling was involved last week in a demonstration where the U.S. flag was burned. The reaction here is unbelievable. You can forget Americans visiting "unfriendly" Manitoba on vacation. I'll comment on that a little later.

I attended an international service club meeting after the demonstration was aired, and the members were appalled. All, and I stressed the word "all," stated how this one incident will harm Manitoba-U.S. relations from now on. — (Interjection) — Well, I hear comments saying it's not true. I can say that what are we going to have to prove that that statement is true or not. Is a true test of that the number of American visitors that come to this province this year? Is that a true test? I wonder if that's a fair question to pose, Mr. Speaker.

Having come through Economic Development Estimates just over the last week and having gone through the Tourism area, we are fully cognizant that visitors to this province have decreased some, I believe, 10 or 12 percent in 1982. Of course, the increase forecast by that department is some 2.5 percent, I believe. I wonder what the members opposite will say if that objective is not reached. What will the Member for Elmwood say if, again, there is a fall-off of visitors to this province by some 5 percent? I'm wondering, will he say well, the Republicans decided not to visit Manitoba? Will he say the cost of gas is too high, or what will they say?

I know what I'll say. I'll say there is a good possibility that maybe there are more than one people who live in the States or who are Americans who had the same thoughts as one J.C. Thompson from Fargo, North Dakota. That's what I'll say, and I will give him the benefit of saying that right now.

Well, Mr. Speaker, that leads to the amendment. It says that "The proposed resolution from the Member for Charleswood be amended by deleting all the words in the paragraph . . ." and I'll skip all that. He says, "WHEREAS Manitobans and Canadians value the close and friendly relations which exist between our country and the United States of America;"

First of all that first "WHEREAS" is brought more and more into doubt every day. As I sit here and I listen to the debate and almost on every subject, particularly as brought forward by the Member for Inkster, I can tell you it brings into question the sincerity of that particular comment. Of course, I will have much more to say on the particular resolutions that again deal with those particular areas of concern as the days go by.

He says, "AND WHEREAS the citizens of Canada and the United States have advanced the cause of freedom and self-determination for all nations." Well, Mr. Speaker, certainly I can't deny or argue with that, I suppose. I look at what the United States is doing throughout the world, and I guess I reflect differently upon many of their involvements throughout the world. I don't certainly downgrade what this nation is doing in that area as far as its commitments in aid and certainly its commitments in making available technology throughout the world. But he says - well, anyway, he reads on, Mr. Speaker, through his amendment to the main resolution which is over here.

Of course, I certainly have to speak against the amendment, Mr. Speaker, because I think all we have asked this particular government to do and to set this whole question aside once and for all, is to apologize

like every honourable person would do when they know they've done something wrong, nothing more, particularly in our case; when we pay lip service to the Americans, when each and every one of us again has so many relatives, so many acquaintances, so many friends just south of the border. What does it harm to apologize?

Mr. Speaker, I am not 40 years of age, but I can tell you, Sir, and I know you believe this too, that the individual that apologizes when he knows that he has done something wrong, walks a taller man indeed after that event. He garners support for his beliefs and for his being and for his character. I question why this government in their wisdom cannot comply not only by the wishes of the opposition, but I daresay the vast majority of Manitobans. I'll go further than that. I would say, comply with their own conscience if they could put aside some of the political concerns as appearing weak, because I don't know where individuals who apologize and walk away taller where they look weak. So I plead with the members opposite to convince the powers within their government to issue an apology to the United States.

Thank you.

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

**MR. D. MALINOWSKI:** Thank you, Mr. Speaker. Mr. Speaker, we on this side have already stated our views many times that we are opposed to flag burning. Mr. Speaker, I am opposed to burning the Canadian flag, I am opposed to burning the Polish flag, Ukrainian, Czechs, Rumanian, Estonian, Lithuanian, Hungarian, Rumanian, Swedish, Israeli, Phillipines or any other nation's flag.

Mr. Speaker, I am opposed to burning the American flag. There is no doubt in my mind. I am strongly opposed. Also, if the Conservative Party had a flag, I would be even opposed to burning their flag. Mr. Speaker, flags are symbols with strong emotional attachments and some fanatics resort to burning flags as a form of protest.

Mr. Speaker, many, many American flags were burned by American citizens during the many protests against the war in Vietnam. About a few weeks ago, a U.S. flag was burned in Mexico during a demonstration against U.S. policy in Latin America. The U.S. and U.S.S.R., because they are the two super powers, get their flags burned more often than other countries. I still think, Mr. Speaker, flag burning is an uncivilized and ineffective form of protest. Burning the American flag at the recent demonstration was, I may call, an irresponsible act, but it was an act for which this government - I am emphasizing, Mr. Speaker, this government - can no more accept responsibility than for the burning of human beings in different parts of our war-torn world.

The NDP members of this Legislature who attended the protest meeting to show their opposition to the dangerous U.S. policy in Nicaragua and El Salvador and, Mr. Speaker, I can see nothing wrong with it, because after all, we are living in a free world. We are entitled to express our own opinion and we are not condemning the people of the United States - no - we're just condemning their policy, which the

Government of the United States are using towards certain countries, which we have in Central America.

The policy of sending military aid to corrupt dictatorship results in a lot of people being killed, many by burning. The flag that was burned at the U.S. Consulate would have been burned whether members of the NDP Legislature had been there, or not, and they didn't go with the intention to burn the flag, it happened.

Mr. Speaker, suppose if I am in a bank, cashing my cheque, and all of a sudden a robbery will occur. When they came in, they robbed the bank. So it means that I was also responsible for it, that somebody at that time came and robbed the bank? That's the philosophy, I believe, of theirs, because we were there. So they are not emphasizing there's all kinds of things that the members took part for demonstration - no, this is not so important - but burning flags.

Mr. Speaker, what we are really debating here is the bankruptcy of the Conservative Opposition. Since they haven't a single constructive idea to offer in dealing with the problems of this province, Mr. Speaker, they are trying desperately to keep this flag burning issue alive.

**A MEMBER:** Right on.

**MR. D. MALINOWSKI:** Absolutely. Nothing else. That's the idea, without principles - I will come to it a little later. Whoever the fanatic was, Mr. Speaker, who burned that flag, he proved a godsend to the opposition, believe you me. What would they have talked about for the past several weeks, if someone hadn't burned that flag? There would be nothing to talk about.

Mr. Speaker, the Leader of the Opposition has made clear, he is not opposed on principle to burning flags. In fact, he said he favours burning the Soviet flag, so as far as the Conservatives are concerned, it is not the principle of flag burning we are debating, Mr. Speaker. The Conservatives on this and other matters have no principles. They are just making a lot of noise.

Mr. Speaker, I have a sneaking suspicion, that it was a Conservative who burned that flag in order to give the Conservatives an issue with which to lambaste the government — (Interjection) — I have a suspicion on this one thing, resulting from the flag burning matter.

**MR. R. DOERN:** That's why Blake shaved his beard off.

**MR. S. ASHTON:** He was Sterling Lyon's height.

**MR. D. MALINOWSKI:** Mr. Speaker, it has put the spotlight on U.S. policies in Nicaragua, El Salvador, and other Central American countries, only because everything was quiet. Many people in Manitoba, Saskatchewan, and even across the border, they didn't even know anything about it, what kind of a policy their government has, but thanks to the Leader of the Opposition, now they know. So actually they are working more damage, as they think they would like to be polite - polite for what, I don't know - I will come to that in one moment, Mr. Speaker.

Timothy E. Anna, Professor of Latin American history at the University of Manitoba, in a letter to the Free

Press said and I would like to quote, "There is indisputable evidence that the threat to Nicaragua security is real and the U.S. policy has brought Nicaragua to the verge of tragedy". Mr. Speaker, even those whose knowledge of Latin America is limited, like in the Conservative Party, to what they see on the TV must know that much of the population there exists in the most appalling poverty.

You see them in the slums and slum hovels, dressed in their rags while a small minority of the super rich live in lavish splendour. Mr. Speaker, U.S. governments have never, never concerned themselves about helping to end the grim poverty in those countries. They have never been concerned about the human rights and freedom of the people to eat regularly and live in decent housing.

Mr. Speaker, the Reagan Administration has not the slightest interest or concern about democracy or freedom of the people; just strictly business, strictly business. It is supporting the most ruthless dictatorship. The U.S. Government has always been on the side of the wealthy ruling cliques; so is the Conservative Party, not only down there, everywhere, even here in Canada, talking about federal, provincial doesn't made any difference.

In another letter to the editor, a Miss K. Taylor, relates a few well-known facts of history. She pointed out that U.S. meddling in Central America goes back to the late 18th Century. Since 1806, Mr. Speaker, it has been sending armed invasions to maintain its control to that area. So it's not only yesterday, or five years, or 10 years ago, Mr. Speaker, it looks to me like this is a century already.

At this point, Mr. Speaker, I want to quote a U.S. Marine Commander who had been involved at that time. One could quote many American writers and scholars who opposed the U.S. foreign policy of that area, but members of the opposition would discount such views as being leftist, or socialist, or whatever. That's special words from our Honourable Leader of the Opposition. He loves it to use Leftist, Socialist, Marxism and whatever. He likes those kinds of names. Because, Mr. Speaker, I am a Christian, and a good Catholic on top of that, I will not name them; I will not give any names, but the good Lord will name them; he will call them.

**MR. R. DOERN:** There'll be a lightening bolt in this Chamber.

**MR. D. MALINOWSKI:** Mr. Speaker, I will quote the famous American Marine Commander, Smedley Butler. Mr. Speaker, he was involved in this dirty military work, and later saw the error of his ways; he saw the light at the end. I met Dr. William Butler also, who is a Chairman of A Physician for Social Responsibility, and I met him in Hawaii, but he is not a relative to that one. Mr. Speaker, Commander Butler said, and I am quoting his words, "I spent 33 years in the Marines, most of my time being a high-class muscleman for big business, for Wall Street and the bankers; in short, I was racketeer for capitalism."

Commander Butler was a man of blunt speech. Continuing he said, "I helped purify Nicaragua for the International Banking House of Brown Brothers in 1909. I brought light to the Dominican Republic for American

sugar interest in 1916. I helped make Haiti and Cuba distant places for the National City Bank boys to collect revenue. I helped in the raid of half a dozen Central American Republics for the benefit of Wall Street. I have swell racket", said Commander Butler. "I was rewarded with honours, medals and promotions."

Mr. Speaker, in his later years this former Marine Commander became a severe critic of the U.S. policies in Latin America. Smedley Butler died in the 1940's, but U.S. policy toward the Central American countries has remained unchanged. The U.S. is still giving military aid in support to the wealthy corrupt regime in that area.

Mr. Speaker, had the U.S. Commander Butler been still alive and in Winnipeg on that day he would have joined the NDP Cabinet Ministers and the MLAs who attend the protest meeting at the U.S. Consulate. In view of the critical nature of the situation in Latin America, the disasters that can result from wrong policies, every Conservative MLA should have joined the NDP in protesting U.S. action in Nicaragua and El Salvadore for peace.

Mr. Speaker, our protests were not any empty American act like the Conservative Party wants to do. Mr. Speaker, I spent eight years in the United States. I studied there; I was ordained there; and I worked as a priest in the United States. I know those people; I love those people. Not only, Mr. Speaker . . .

**HON. S. LYON:** Why don't you apologize to them then?

**MR. D. MALINOWSKI:** For God's sake, Mr. Speaker, the Honourable Leader of Opposition said, apologize. For what?

**A MEMBER:** You only apologize when you're wrong.

**MR. D. MALINOWSKI:** I am just asking for what, Mr. Speaker? I can't see any reasons to apologize. For what, what did we do wrong?

**MR. G. LECUYER:** Sterling, you should apologize for being born.

**MR. D. MALINOWSKI:** I don't know for what. You want the people of Manitoba to make, as we call it, a doormat to the United States government. Apologize for what? I don't know, I can't visualize what we did wrong.

It means that whatever they say, we'll have to say, okay, go ahead, let's go. We are a free people. Can't we voice our opinion? For what? I am apologizing all the time if I do something wrong but, Mr. Speaker, it wasn't wrong. When I am expressing my opinion, do I have to apologize for it? What kind of a situation? Even then, no way.

Mr. Speaker, I am in the same boat as my colleagues and I am with them, absolutely. No, I can't see any reason to apologize, you are just making a big issue of it. It isn't an issue. We are protesting - well, for God's sake, you would like to attend protesting only which is according to your ideology. When you agree with it, then it's nice and dandy. We can burn, we can kill, we can do everything. then you all agree with that. In the beginning I said I am against the burning of any flag, so I can't see why the opposition are asking, in this

resolution, to apologize. I can't see it. Mr. Speaker, the amendment which the Honourable Minister of Natural Resources said . . .

**MR. SPEAKER:** Order please, order please. The honourable member's time has expired. Does the honourable member have leave to proceed?

**MR. D. MALINOWSKI:** Just one sentence.

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

**MR. D. MALINOWSKI:** Thank you very much. To you, Mr. Speaker, and to the honourable members opposite . . .

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

**MR. SPEAKER:** Order please.

**MR. D. MALINOWSKI:** Don't be so mean, be Christian for a change.

**MR. SPEAKER:** Order please. Leave has not been given for the honourable member to proceed.

The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Thank you, Mr. Speaker. I would like to commend the member for St. Johns not for the content of his speech, Mr. Speaker, but for the fact that he had strayed from his text, where I believe that the first time in this House I've seen the member do that and I want to commend him for doing that; that when the Member for St. Johns speaks from the heart he is a much more impressive and forceful speaker than when he reads from a text.

Mr. Speaker, what we have . . .

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

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

The Honourable Member for Turtle Mountain has 20 minutes for his remarks, the same as every other member. He should be accorded the courtesy of being allowed to use those 20 minutes.

The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, one of the Whereases in the amendment before us says that "Whereas the citizens of Canada and the United States have advanced the cause of freedom and self-determination for all nations," what we have just heard from the Member for St. Johns was a diatribe against the United States saying that the United States had never done anything to advance the cause of freedom or for a starving people. We have before us an amendment by the members opposite which says that the citizens of Canada and the United States have advanced the cause of freedom and self-determination.

So, Mr. Speaker, it's going to be interesting to see whether the Member for St. Johns is even going to vote against this resolution because his statement is certainly contrary to the resolution.

Mr. Speaker, this is not a case of debating foreign affairs. This is not a question of what is happening in Central America; it's not a question of what the United States policy is. It is a question of how members of this government behaved relative to the best friends, the most friendly nation to Canada that there is. Mr. Speaker, it's how they react towards that friend of ours that is at question.

What we have is a situation where there was a demonstration organized to take place in front of the U.S. Consulate, and in our country as in the United States people are free to do that. They have the freedom to assemble and to demonstrate in a peaceful way. I am in no way critical of the individual people who organized that demonstration. What happened is then, that these members opposite learned of the demonstration, discussed it in their caucus and decided that two Cabinet Ministers would be attending that demonstration, and according to the — (Interjection) — Well, Mr. Speaker, this is an interesting thing, the Member for Springfield says no decision was taken. They acknowledged it was discussed in caucus, so a decision was taken because there was no direction to the Ministers not to attend this kind of thing because it was wrong for Ministers to attend it. So whether they took a decision consciously or not, they made a decision.

The Minister of Economic Development says that she was asked by the First Minister to attend on his behalf at that demonstration, Mr. Speaker. That is where the first error was made, that Ministers of the Crown and to a lesser extent, Members of the Assembly, but especially the Ministers of the Crown showed naivety and bad judgment to attend that demonstration. If they, as a government, as a caucus, wish to express their dissatisfaction with United States policy, then they could have done it in a civilized fashion. They could simply have spoken to Mrs. Mullin, the Consul-General in Winnipeg, and they could have indicated to her their dissatisfaction with the alleged intervention of the United States in Nicaragua. — (Interjection) — Yes, alleged, Mr. Speaker, because at the time the honourable members may recall that the organizer of the event said there's no proof that the United States is involved. He said we could have been demonstrating in front of Eaton's. Now, if the honourable members don't wish to pay any heed to what the organizer of the demonstration said, it just further demonstrates that they didn't know what they were getting into when they went to this demonstration, what could come from this.

They should have realized that Ministers of the Crown don't go and demonstrate on the steps of the Consulate. It simply should not have been done, and it, in the words of the Premier, showed bad judgment and naivety on the part of the two Ministers, and it showed a lack of guts on the part of the First Minister that, after having asked his Minister of Economic Development to appear, on his behalf, he should then hang her out to dry by saying that she was naive and showed bad judgment by going. Mr. Speaker, that in itself is an offensive action.

Mr. Speaker, what those Ministers did was offensive to Manitobans because they see those Ministers as their temporary government, as their representatives in government until they have the chance to boot them out. So it is offensive to Manitobans that they should do that; it is offensive to our friends, the Americans,

that these Ministers should choose that way to express their dissatisfaction with alleged U.S. involvement.

**MR. SPEAKER:** Order please. The time being 5:30, when this resolution next comes before the House the honourable member will have 14 minutes remaining. The Chair will accept a motion to adjourn.

The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Yes, Mr. Speaker, I move, seconded by the Honourable Member for Turtle Mountain that, subject to the committee's meeting this evening, this House do now adjourn.

**MOTION presented and carried** and the House adjourned and stands adjourned until 10:00 a.m. tomorrow morning (Friday).