

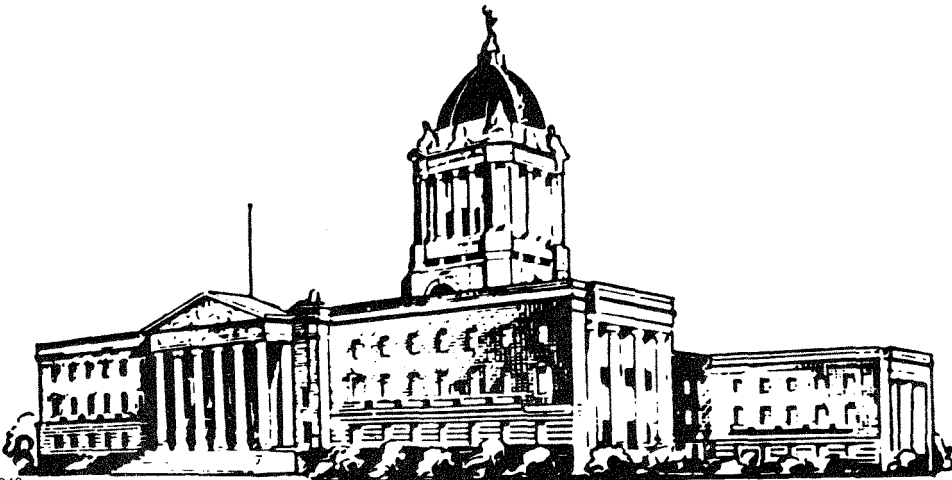


Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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The Honourable D. James Walding
Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 26 May, 1983.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions
. . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Radisson.

MR. G. LECUYER: Mr. Speaker, I would like to present the Fourth Report of the Standing Committee on Economic Development.

MR. CLERK, W. Remnant: Your Committee met on Thursday, May 26, 1983, to consider the Annual Reports of McKenzie Steele Briggs Seeds, Manitoba Development Corporation and the Financial Statements of William Clare (Manitoba) Ltd.

Messrs. J.A. Petrie, Acting Chairman of the Board, Mr. W.A. Moore, President and General Manager and Mr. Hugh Jones, Chairman of MDC provided such information as was required by members of the Committee with respect to McKenzie Steele Briggs Seeds. During consideration of the Annual Report the following motion was agreed to by the Committee:

“THAT the Committee request the Board of Directors of McKenzie Seeds to include as a note to its Annual Financial Statements the annual borrowing cost to the government for the investment of \$5 million in 6 percent cumulative preferred shares in McKenzie Seeds, subject to discussions with the Provincial Auditor with a view to deciding the best way to bring this about and whether this is appropriate.”

Information with respect to all matters pertaining to the operations of the Manitoba Development Corporation and William Clare (Manitoba) Ltd. was provided by Mr. Hugh Jones, Chairman and General Manager. The fullest opportunity was accorded to all members of the Committee to seek any information desired.

Your Committee examined the Financial Statement of McKenzie Steele Briggs Seeds for the year ended October 31, 1982; the Annual Report of the Manitoba Development Corporation for the fiscal year ending March 31, 1982; and the Financial Statements of William Clare (Manitoba) Ltd. as at December 31, 1982, and adopted the same as presented.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Radisson.

MR. G. LECUYER: Mr. Speaker, I move, seconded by the Honourable Member for St. Johns, 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 would like to table the Supplementary Information of the Legislative Review of the Department of Fitness, Recreation and Sport.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. L. DESJARDINS on behalf of the Attorney-General, introduced Bill No. 48, The Elections Finances Act; Loi sur le financement des campagnes électorales. (Recommended by Her Honour the Lieutenant-Governor.)

HON. M.B. DOLIN introduced Bill No. 80, An Act to amend The Civil Service Superannuation Act. (Recommended by Her Honour the Lieutenant-Governor.)

HON. L. DESJARDINS on behalf of the Attorney-General, introduced Bill No. 82, The Jury Act; Loi sur les jurés.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before Oral Questions may I direct the attention of honourable members to the gallery. We have 20 students of Grade 9 standing from the Ross L. Gray School under the direction of Mrs. Norman. The school is in the constituency of the Honourable Member for Emerson.

There are 11 students of Grade 6 standing from the McLeod School under the direction of Mrs. Odaguchi. The school is in the constituency of the Honourable Minister of Finance.

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

ORAL QUESTIONS

Western Power Grid - jobs

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is to the First Minister. In October of 1981, the Western Power Grid was, in the words of then Premier Allan Blakeney of Saskatchewan, only a few short weeks away from becoming an agreed-upon development project. A report released a few days ago by the Government of Alberta indicates that 50,200 man years of employment would have been created in this province as a

consequence of that development and that \$1.7 billion would have been invested. The Minister of Economic Development and the Minister of Energy and Mines have incredibly played down the importance of the creation of 50,200 man years of employment.

My question to the First Minister is, Mr. Speaker, does the First Minister prefer the short-term jobs created by the expenditure of taxpayers' dollars through the Jobs Fund to the 50,200 man years of employment that would have been created as a consequence of the Western Power Grid?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, unfortunately the Member for Turtle Mountain is drawing conclusions based upon faulty assumption, incorrect assumption. At no time, Mr. Speaker, did the Minister of Energy and Mines play down this project. Where the honourable member would have received that impression, I know not where, because rather than play down the importance of such a project, the Minister has again and again emphasized the importance of developing our energy resources, examining all options, all various alternatives in regard to the purchase of our energy resources insofar as the development of energy in the Province of Manitoba.

The Minister of Energy and Mines who is responsible for this field can certainly add further to the answer, except that, Mr. Speaker, the Member for Turtle Mountain unfortunately has based his question on a faulty assumption.

MR. B. RANSOM: Mr. Speaker, perhaps the First Minister would like to review the answers given by the Minister of Economic Development yesterday.

A question to the Minister of Labour, Mr. Speaker. Given the fact that these 50,200 man years of employment would have been spread over a period of some years during the development of the grid, can the Minister of Labour tell us how many of the presently 52,000 unemployed people in Manitoba could have expected to have had meaningful jobs as a consequence of the development of the power grid?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Thank you, Mr. Speaker, certainly the numbers that I have been given for long-term job creation for this particular project are much, much different than those being recited by the member opposite. I have no idea on what he is basing his 50,000 jobs. I certainly would be curious about the facts that he feels have been presented to him upon which he bases this assumption. These are assumptions and I have consistently said that to get into any kind of numbers game with assumed jobs, or as he calls them, man years, which I would suggest an incorrect term, is a faulty procedure.

I, again, would direct back to him my expression of concern about on what he is basing his assumption that these jobs would have been created.

Jobs Fund - unemployed

MR. B. RANSOM: Mr. Speaker, one doesn't spend \$1.7 billion in developing resource without creating jobs.

My supplementary question to the Minister of Labour is, how many long-term jobs will be created through the government's so-called Jobs Fund?

HON. M.B. DOLIN: Mr. Speaker, the Jobs Fund is creating a number of different kinds of jobs. Some of the jobs are necessarily not long-term, because they are for students who expect to return to school. So those obviously would not be long-term, would they? But they are helping students prepare for long-term jobs in various careers.

Other jobs being created by the Jobs Fund are long-term. A lot of what we are doing will depend on the co-operation of the private sector in picking up these jobs and carrying them. We are helping the private sector; we are helping the public sector to create jobs and assist them in providing employment for people in this downturn time. As the times improve, we certainly expect that many of these jobs will become long-term. For many of the people too, this is an interim kind of job while they wait to go back to their careers.

MR. B. RANSOM: Mr. Speaker, a supplementary question to the Minister of Labour. I'll even use her terminology. How many person years of employment will be created through the Jobs Fund this year?

HON. M.B. DOLIN: Mr. Speaker, the specific number of work weeks created through the various programs can be discussed during the Estimates of the Jobs Fund. We do not normally figure person years. That is not a term that we use and it is not a figure that we give. The jobs are necessarily of many different types. I have explained rather completely, I think, on a number of occasions that a construction job, for example, may be a short-term job for the plumber; may be a short-term job for the electrician and other people involved; may be a longer-term job for the people involved in using the facility that is constructed.

So it's a combination of many different kinds of jobs and to add up the plumber and the electrician and the teacher and the student and all of the other people who are involved in obtaining jobs and having training and going on to new careers through the job creation efforts, would be to mix apples and oranges. We'd be happy to explain very clearly what all of these specific programs are doing towards helping the unemployed in Manitoba when the Estimates are discussed, and I suspect that will be fairly soon.

Abortion clinic - Dr. Morgentaler

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Health. I would ask him whether, in view of the continuing and recurring reports in the media and elsewhere of abortions being performed at the Morgentaler clinic in Winnipeg, he can advise the House of the conclusions of an investigation that I believe he was pursuing into that possibility?

HON. L. DESJARDINS: Mr. Speaker, I think the information I gave is that the College was investigating

the situation. That is still going on. I haven't heard anything new from the College.

MR. L. SHERMAN: Mr. Speaker, the Minister advised the House early in May that he was expecting Cabinet to deal with a Cabinet Paper on the subject of abortion facilities and capabilities in Winnipeg and that he was expecting that paper to be available, or at least the contents of it, sometime this month. We're approaching the end of the month and I'm wondering whether the Minister can report on that recommendation.

HON. L. DESJARDINS: Mr. Speaker, that's not an investigation. What I did say is that Cabinet would deal with it, and if I give the impression that the Cabinet Paper would be given to the public, I certainly was wrong. That's not what I intended to do and my honourable friend knows that I can't release a Cabinet Paper. What I did say or certainly what I meant to say, and what I'll say today is that, yes, this is under discussion for a policy decision and as soon as a policy has been arrived at, a policy of the government, it will be announced. I could tell my honourable friend now because we're talking about this clinic, certainly that is already policy. It's been announced that we will not recognize the clinic as a hospital, that if there's any necessity for performance of abortion and increase in abortions, that will be done in the hospital setting with the backup and all the expertise necessary.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, a supplementary to the Minister. I would ask him whether any Manitoba Hospital Act regulations are being violated by the practices purportedly and reportedly being followed at the Morgentaler Clinic with respect to the disposal of human tissues.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, the first thing to determine is, are there any abortions taking place. I know there's an awful lot of noise from Dr. Morgentaler; he seems to want to stir the pot.

Secondly, I read that article also and I've asked staff to get on it immediately to check with the College also and if I have any information, I will inform the members of the House.

MR. L. SHERMAN: Just a final supplementary, Mr. Speaker, because we're awaiting a couple of items that apparently are taking some time to come forward, can the Minister reassure this House that practices and procedures at the Morgentaler Clinic are consistent with the laws of this province and the land, including The Manitoba Hospital Act?

HON. L. DESJARDINS: Mr. Speaker, if Dr. Morgentaler or his associates perform any abortions, they're certainly not within the law because they haven't any right to perform abortions in a clinic that is not accredited and it's not recognized or declared as a hospital. The point is, is he actually performing

abortions, and when that is known I'm sure there will be a prosecution. I also stated that my understanding was that the Winnipeg Police were investigating the situation.

Fishing Co-ops - grant

MR. SPEAKER: The Honourable Member for Swan River.

MR. D. GOURLAY: Yes, I'd like to direct a question to the Minister of Northern Affairs. Did this government, through the Department of Northern Affairs, provide a grant to the Big Black and Norway House Fishing Co-ops to purchase a cargo vessel? Did they provide a grant?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: I'll have to check with staff to determine if such a grant has been provided and report back to the member at that time. I don't have specific information in that regard at this time, but I will endeavour to bring the information back to him.

MR. D. GOURLAY: I wonder if the Minister, while he is getting that information, could also determine if the grant was paid, how much it was for and also the cost price of the vessel in question.

HON. J. COWAN: Yes, I'd be pleased to provide that sort of specific data if, in fact, the grant has been provided to that group, for the member.

Careerstart Program

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker, my question is to the Minister of Labour regarding the Careerstart Program. Some time ago I raised the question - it was taken as notice at that time - regarding how many applications had been received under the Careerstart Program, and for how many employees, and how many applications had been rejected. I wonder if the Minister has the information now.

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Thank you, Mr. Speaker. I believe the Minister of Finance who took that question as notice for me reminded me of that just today. I will be happy to get the information for you.

The staff is at this point, still tabulating and informing people of either acceptance or rejection of their applications. There were applications that came in late after the deadline. The Northern applications were not due, or their deadline was not until the middle of this month, so the situation is still in process. I can get up an update on that and will do so for tomorrow.

MR. A. DRIEDGER: Mr. Speaker, further to the same Minister then. Can the Minister indicate whether any

of the late applications are being accepted and processed, and the applications are being approved?

The other thing that I would like to ask the Minister is, what is the criteria for qualification in terms of the applications that are made by farmers and business people, non-profit organizations, what is the criteria that is being used?

HON. M.B. DOLIN: Well, Mr. Speaker, my understanding is that all of the applications that were postmarked by the deadline, which was April 22 in this particular case for the southern part of the province from farms and businesses, were processed and if they did meet the criteria for the program, they were then approved.

The non-profit agency applications had a limit of the amount of money that we would be able to spend on that particular area. Some of those that came in before the deadline were limited in the number of students or young people that they could hire through the program, in order to spread the funding as evenly as possible throughout those who did qualify.

But my understanding certainly is that all of the business and farm applications that were received by the deadline, or postmarked by April 22nd, were received favourably, unless they did not in some way meet the criteria.

MR. A. DRIEDGER: Mr. Speaker, to the same Minister then. Are any applications that have been received after the deadline, have any of those applications been approved?

HON. M.B. DOLIN: My understanding is that they were not. The deadline was extended for a week because of the Easter weekend, because we had a time delay there with postal service not being active over the Easter weekend, so the extension was made. Any application received beyond that date was simply without the funding. There was no guarantee that it could be covered at all. The funding, as I believe the member is aware, was tripled but the response to this program was really overwhelming.

Canadian Physiotherapy Association

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

MR. G. MERCIER: Mr. Speaker, my question is to the Minister of Economic Development and Tourism with respect to a letter of which I have received a copy, sent to the Minister by the Canadian Physiotherapy Association who are holding an Annual Conference in Winnipeg May 24th to May 30th; and in which letter they express their great disappointment concerning the poor response they've received from her department, in that a request had been made to the department for pins, leaflets and maps. They indicated the response was hardly adequate, very disappointing, and of little assistance. Could the Minister indicate if she took any action with respect to this letter which she's received from the organizers of the Conference?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, I'll have to take that under advisement.

MR. G. MERCIER: Mr. Speaker, could the Minister, in considering that matter, assure the members of this House and the citizens of Manitoba that the organizers of such national events - in this particular one where they will have physiotherapists from Canada, the United States, Europe and Australia - that the organizers of such events in Manitoba will receive at least as good consideration as the Marxist Conference, where the government gave a grant of \$7,000.00?

HON. M. SMITH: Mr. Speaker, I would really like to see the letter and the details because I can tell you that the number of hospitality requests that we receive are given very full and fair consideration, and we do the most we can with the funds available.

I would have appreciated if the member opposite had given me notice of this question because I'm more than happy to get that information. If he would table it then that would speed the process. I know I'm up-to-date on my correspondence and I can certainly follow it up very quickly.

La Salle River Diversion

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: Thank you, Mr. Speaker. I'm wondering if the Minister of Natural Resources could indicate to the House and to my constituents, who live along the La Salle River, as to the present status of the La Salle River Diversion?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, there are two water schemes that involve some diversion of the Assiniboine River water southerly. I believe the honourable member is referring to a proposed pumping operation involving supplementing water supply along the La Salle River. That project has been considered favourably. It's a question of working out arrangements.

One of my concerns, Mr. Speaker, is that if we provide infrastructure for water supply that will be used primarily for irrigation, that there be an arrangement whereby those who benefit from the water supply and the cost to the taxpayers, that those people will share in its cost. That is, we've had meetings with the municipalities, and there is agreement on that. It's a question of working out the details and I'm sure that positive development will proceed.

MR. C. MANNESS: I'm wondering then, Mr. Speaker, if the Minister could indicate whether agreement in principle was struck between the two levels of senior governments last fall, and whether indeed there are appropriations available to begin this project in 1983.

HON. A. MACKLING: Mr. Speaker, I will take the specifics of the question as notice because I want to give exact details as to the stage we're at in respect to further proceeding on the project.

Crown land leases - user fees

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Speaker. I have a question to the Minister of Natural Resources. In view of the fact that there have been many examples set that this government is now moving to the user-fee concept particularly in the use of water - and the Minister of Agriculture is charging the agricultural Crown land leases the administrative costs to the user of those Crown lands, Mr. Speaker - would the Minister of Natural Resources reconsider his decision to increase the cost of a piece of Crown land in the municipality of Oakland where they've gone from a charge of \$1 for a piece of ground to \$20; a charge, Mr. Speaker, which the municipality said they wouldn't pay because it does not fit within any guidelines. Is he proceeding to further carry out his intentions of collecting the increase in payment on that land?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, first of all, I want to reject categorically the general philosophical thrust the honourable member wants to put on our government's approach to providing services. We believe in providing universal services, Mr. Speaker, to all people, but where we have programs that benefit a limited number, and they are designed to benefit that limited number, we think that those few people who are favoured by public infrastructure should pay some reasonable portion of its cost. That is a basic fundamental and I have no question in supporting that principle.

In respect to the question the honourable member asks, there was an annual permit fee of \$1.00. The cost of processing paper by government, by private enterprise, by anyone exceeds the \$1; what we're trying to do is make our processing of paper at least reasonable and the suggestion that the cost be \$20 is still a nominal cost, Mr. Speaker, because I'm sure the actual land rental would be far, far more than that; it's still a nominal fee. But one of the things that we have asked our staff to do is to look at our fee structure and make sure that at least it recovers the nominal cost of processing paper.

User fees - Health Care Systems

MR. J. DOWNEY: Mr. Speaker, in view of the inconsistency of the policy of the government, my question is to the First Minister. In view of the fact that his Ministers have now adopted a policy of charging a user fee of the administrative costs for a large number of government services that do affect a large number of the people in Manitoba, is that going to be a policy for their medical and for all the government services provided; will it be a policy to recover the administrative costs on all government services, Mr. Speaker, for the massive paper work that the Minister of Natural Resources is referring to, is it now their policy to collect those kinds of fees?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I thank the Honourable Member for Arthur for asking me this question which provides me an opportunity to further develop on the response by the Minister of Natural Resources. Mr. Speaker, it's certainly our view that insofar as particular costs are concerned, pertaining to particular delivery of services relating to some, that those cost should be borne by the users of those services. Where you're dealing with particular services to limited numbers of people.

Mr. Speaker, insofar as Medicare, I do know that the honourable member is thinking in terms of what has happened in Conservative Provinces of Alberta and New Brunswick, and that the Conservative for Arthur, therefore, is posing a question to me as to whether or not this New Democratic Party Government would be contemplating user fees, or deterrent fees, as they are charging in Alberta, i.e. hospital beds - \$20.00 per day; or in New Brunswick where deterrent charges are being charged on outpatient care in respect to the hospitals in the Province of New Brunswick.

Mr. Speaker, I think what we are dealing with now is a basic difference of approach on the part of Conservative Governments, such as those in the Province of Alberta and in the Province of New Brunswick, and a social democratic party approach which states, no, there are certain services such as health care to people, the service of Medicare, the provision of other basic social programs, universal in nature, that ought not to be encumbered with deterrent fees. So, no, Mr. Speaker, our approach is different and I reject the implication of the question from the Member for Turtle Mountain that we even, for a moment, consider the levying of such charges.

MR. J. DOWNEY: Mr. Speaker, first of all, I will rise on a point of order before I put my next question. I would ask the Premier to address me as the Member for the riding of Arthur, not Turtle Mountain, I would appreciate that, Mr. Speaker.

SOME HONOURABLE MEMBERS: Actually he has a point of privilege. Get your facts straight, Howard.

MR. SPEAKER: The First Minister to the same point.

HON. H. PAWLEY: Mr. Speaker, I do express my apologies to the Member for Arthur. I think possibly to the Member for Turtle Mountain, I'm sure if I were in their seats that I would be somewhat embarrassed, as well, being confused one for the other.

MR. J. DOWNEY: Mr. Speaker, I may add to the First Minister, the only embarrassment is that we won 5 - 1 over the New Democratic Party in the recent by-election when the Tories wiped them clean about two days ago, that is our only embarrassment.

Unemployment rate

Mr. Speaker, a further question to the First Minister. In view of the fact that he has said that there will be no imposition of fees, user fees, will he now then remove the payroll tax which he has said, and all his Ministers have said, is to cover the cost of health and medical

costs and education; will he now remove that payroll tax which is discouraging the employment of, particularly, young people in the province, Mr. Speaker, and people who are going to add to our economic growth; will he remove that payroll tax?

HON. H. PAWLEY: Mr. Speaker, first I can't help but somewhat smile, the honourable members must have been somewhat worried about the Brandon-Souris situation that they were on the verge of letting slip through their fingers, a riding that they'd held for some 31 years which does, indeed, indicate to me that there's a great deal of nervousness and trembling on the part of honourable members across the way.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. Order please. The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, insofar as the premise that the honourable member is resting his question upon, unfortunately, again, he hasn't carefully checked out the available data from Stats Canada and from other sources. If he did he would find that, in fact, though we're not comforted by it because there are high numbers of unemployed in the province, that we have managed to retain, by way of jobs in Manitoba; that we have succeeded in being the second best province in Canada by way of job retention; that we have succeeded in reducing the level of unemployment in Manitoba to the point that we're the second lowest, rather than the third lowest, which we have been traditionally as a province.

Mr. Speaker, the honourable member is some way or other stretching, or trying to tell a fish tale in this House, if he's trying to suggest that there has been any relationship pertaining to the post-secondary education health levy and job retention or unemployment in this province because, on a province-by-province interprovincial comparison, his arguments just don't hold water. I would ask the honourable member to do some further research into his information because obviously he has, because of all that campaigning out in Brandon-Souris over the last number of weeks, been removed, obviously, from his statistics and other sources of information.

Canadian Physiotherapy Association

HON. L. DESJARDINS: Mr. Speaker, I would like to give some information to the House in view of the question of the Honourable Member for St. Norbert re The Canadian Physiotherapy Association. The Canadian Physiotherapy Association, I might say, have failed in their eagerness, I guess, to play to politics; they have failed to inform him that they were receiving a commitment of \$4,800 from the Department of Health.

SOME HONOURABLE MEMBERS: Oh, oh!

Sherritt Gordon Mines - MMR proposals

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I have a question for the Minister of Energy and Mines. The President of Manitoba Mineral Resources, in addressing the Standing Committee on Natural Resources, informed the committee that the Agassiz gold deposit in the Lynn Lake area would not be viable in their view unless the price of gold was to rise beyond \$500 an ounce. The Minister of Energy and Mines subsequently directed Manitoba Mineral Resources to make a joint venture proposal to Sherritt Gordon for the development of that deposit based upon some unknown set of guidelines put forward by the Minister of Mines.

Can the Minister of Mines advise the House of the nature of the increased support which the government will be providing for Manitoba Mineral Resources? Will he be prepared to table a copy of the joint venture agreement in the House since the government, when they were in opposition, called repeatedly for the Government of the Day to make such agreements public?

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

HON. W. PARASIUK: Mr. Speaker, I am pleased to receive that question. As I answered in committee, Sherritt Gordon had in fact made some proposals to the Manitoba Mineral Resources Corporation. The Manitoba Mineral Resources Corporation had made some counterproposals, not with respect to Agassiz Mine, but with respect to other mines. These in fact had been turned down by Sherritt Gordon and what we had was a situation where we had two mining companies that really weren't furthering discussions even though both mining companies indicated that it was important to proceed with intensive work in the area if we were going to have any hope of trying to maintain the community of Lynn Lake.

I can recall the members of the opposition saying that instead of looking to joint ventures, Mr. Speaker, we should be bending over backwards trying to give grants to these companies when they were looking for. We said we preferred joint-venture activity, Mr. Speaker, although if they did meet the criteria, as they did with respect to one particular NEED proposal, that we would consider that. That has been done with respect to the NEED proposal.

With respect to MMR, I indicated to the president who was looking at it completely from an economic perspective, not taking into account as much the longer term implications with respect to the community of Lynn Lake, that the Provincial Government through the Jobs Fund might be prepared to consider forwarding some funds that would be kept on an equity basis which is a bit different than in fact giving the money away directly as members of the opposition would have us do, and that they should do this as part of an overall package proposal relating to both Agassiz and to other mine leases that are being held in the area by Sherritt Gordon.

Sherritt Gordon turned down the Agassiz proposal. There are still discussions and negotiations under way with respect to other activities, so that meeting was a very productive meeting. I think that Sherritt is working with MMR. We've had a meeting with the community of Lynn Lake. All people seem to be satisfied that all

parties are trying to make the best efforts possible to try and see whether we can do something to keep the community of Lynn Lake going.

MR. B. RANSOM: Mr. Speaker, the Minister, I recognize doesn't have to answer a question, but I'll try once again. We're interested in knowing what the guidelines were that he provided to Manitoba Mineral Resources in directing them to make a proposal which Manitoba Mineral Resources would not see as being viable. All we want to know is the nature of the additional support which the Minister is putting forward.

Secondly, would he be prepared to table the proposal, the joint-venture proposal, in the House?

HON. W. PARASIUK: Mr. Speaker, since the proposal was made in a meeting and was of a verbal nature, I don't have anything to table in that sense. Secondly, that's for purposes of negotiation. I know full well that the Conservative Government, when they were government, did not table any of these documents, Mr. Speaker. We will table documents at appropriate times.

At the same time, the guidelines as I indicated, were to try and keep the community of Lynn Lake operating and if the negotiation process led to a demand on Jobs Fund, the Jobs Fund would be prepared to consider that, Mr. Speaker. It was that type of guideline that was given, taking into account the long-term future of Lynn Lake. If in fact the Conservative Party has some opposition to that, to the government taking a position whereby we are prepared in certain programs to provide assistance of a grant nature, but that basically it is a preference of the New Democratic Party Government of Manitoba, that when we are involved in exploration activities in the North that that will be done on a joint-venture basis whereby the people of Manitoba may get a return on investments given.

If the Conservatives have a different policy, let them say it, Mr. Speaker, but the policy of this government is known that our preference is for joint ventures and that we are prepared to fund through NEED Programs if the criteria are met. I find the opposition, Mr. Speaker, having failed in four years, grasping at whatever straw they can get; they remind me very much, Mr. Speaker, of Pierre Elliott Trudeau. It's rather ironic that they are taking that type of position right now when we in fact are all trying to work together as Manitobans to come out of this recession and not harp and backbite and moan and groan as they are doing right now.

MR. SPEAKER: Order please. The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, it is clearly evident that the policy of this Minister at least is obfuscation. Their record in negotiation is dismal, it's absolutely dismal and it is alarming to hear that the Minister has directed Manitoba Mineral Resources to make a proposal which isn't even written down.

MR. SPEAKER: The question.

MR. B. RANSOM: The question to the Minister of Energy and Mines is, will he tell us then the details of this verbal arrangement which he has directed Manitoba

Mineral Resources to make despite the fact that Manitoba Mineral Resources says that the project will not be viable unless gold is over \$500 an ounce? We are simply interested in knowing the nature of the Minister's proposal. We're not taking a position for or against it until the Minister will at least give us the information upon which it is possible to make a judgment.

HON. W. PARASIUK: The indication was that the province would be prepared to use Jobs Fund money, to take an equity-participation position. That, in fact, dealt with the risk aspects.

We were getting a lot of commentary from the opposition saying that they wanted us to take the Jobs Fund money, through the NEED Program, and give it to Sherritt Gordon. We made this proposal to them as part of an overall package with respect to intensive exploration in the Lynn Lake area because the Fox Lake mine is running out in about three years, Mr. Speaker.

We believe that it's important for the government to work with Sherritt Gordon, to work with other companies in the area to intensify the exploration and development, to work with the community, to work with the workers, to see what can be done to try and extend the life of that community. We are doing that, Mr. Speaker; we are doing that because we believe that is the proper policy position to take.

We have not received any backing in this respect, from the members of the other side, Mr. Speaker. They have received a great deal more information than we ever received when we were members of the opposition, Mr. Speaker. We are prepared, and I indicated to them, that we are prepared to use the Jobs Fund money in that respect; that was turned down by Sherritt Gordon, but discussions are still taking place with Sherritt Gordon with respect to other joint-venture activities and those are taking place, Mr. Speaker, and those are confidential at present.

MR. B. RANSOM: Mr. Speaker, is the Minister still prepared to commit funds from the Jobs Fund to Manitoba Mineral Resources for the proposal to Sherritt Gordon, or is that proposal finished and turned down at this point, or if not is his commitment going to be greater than \$750,000.00?

HON. W. PARASIUK: Mr. Speaker, indeed our commitment will be less than that and Sherritt Gordon has indicated that they would like to try and use the NEED Program, with respect to some activity at the Agassiz mine, and that it would be their intention to try and take advantage of a number of tax incentives that have been provided by the Federal Government, whereby in a sense the taxpayers of Canada will provide a type of subsidy to investors who want to invest privately with Sherritt Gordon for that Agassiz development.

I can't turn around what the Federal Finance Minister does. The Federal Finance Minister is willing to use the tax system to, in a sense, provide a tax expenditure, that is a tax subsidy, a tax incentive, to particular private investors to invest and use taxpayers' money. I can't change that. I would prefer a system that was fairer

to everyone, Mr. Speaker, which didn't penalize the number of taxpayers because certain people had tax loopholes and other people didn't.

But we operate in a federal system where the Federal Minister of Finance does have overall jurisdiction for that and Sherritt Gordon has indicated that they are going to try and take advantage of that provision in the recent Budget. We still don't know whether in fact they're going to proceed with the Agassiz development. They will be having a board meeting. — (Interjection) — I hope they do, Mr. Speaker, I think all Manitobans hope they do, with the possible exception of the Conservative Opposition.

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

ORDERS OF THE DAY

INFORMAL MINISTERIAL STATEMENT

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Yes, Mr. Speaker, by leave, I would like to make an informal statement to the House in respect to the recent visit to Washington with respect to Garrison.

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

The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, it's my understanding that the Honourable Member for Lakeside will follow me in making a statement, confirming the visit to Washington.

I had indicated to the House last week that there would be a delegation to Washington and I apologize that I didn't confirm to the House the exact details of the arrangements, including those who were going to Washington, because there was some doubt as to the persons involved, until the very last, because of commitments.

I can confirm, Mr. Speaker, that there were three Members of Parliament attended Washington; the Honourable Jack Murta, the Honourable Robert Bockstael and the Honourable Terry Sargeant. It's our understanding that the Honourable Lloyd Axworthy will be going to Washington some time early next month. Mr. Speaker, the Honourable Harry Enns, the Member for Lakeside and I were also part of that group.

I want to put on public record, Mr. Speaker, my appreciation for the efforts of all of those who, with me, made representation in Washington in respect to the Garrison Diversion project. We were careful to point out that our representations in no way were trying to influence a de-authorization of Garrison per se.

Our concerns were that any water project development in the United States should respect the integrity of our waters and we reiterated the position of the International Joint Commission. I must say, Mr. Speaker, that I personally felt heartened by the reception that we received. I want to indicate that the Honourable Member for Lakeside and I feel that there was a sincere

recognition. In some instances it was the first time Senators and staff of Senators had appreciated the international aspect of that water project.

I also want to say, Mr. Speaker, although we've been assured by our strategists in Washington, including those of the Embassy staff, that it is not likely that we could win a vote in the Senate; it's nevertheless our expectation that we will have changed, at least caused some people in the Senate to give some fresh thinking to their thinking to their position in respect to that matter.

The strategy of the proponents now is that because of the overwhelming loss of the funding in the Congress vote last year in the House of Representatives, there is no funding in the House of Representatives this year. They propose to bring the funding through the Senate and then, under their system, the Senate and the Congress get together and, by conference, try to resolve budgetary problems.

It is a strategy that is a formidable one. The two most active players in respect to the proponents of Garrison, both Senators Andrew and Burdick, hold very responsible positions in Senate Appropriations Committees, so it's not likely, Mr. Speaker, that there will be a successful vote in the Senate but that certainly will be attempted by our friends there.

I think it was a very successful visit and again, Mr. Speaker, I want to publicly acknowledge the excellence of the efforts of my colleagues from both parties.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: I'm pleased to acknowledge and confirm what the Minister of Natural Resources has just stated; that (a) we were received with courtesy, with hospitality and with friendship, as indeed I expected to be received by our friendly, courteous and hospitable neighbour.

Mr. Speaker, having travelled to Washington at public expense, I do believe though it's incumbent upon me to report that we indeed met with very few Senators and policy-makers. We were meeting largely with staff - EAs as we would call them here. We were convinced and I understand under their system that these are nonetheless influential people to meet with. I think perhaps during our visit we met with two senators and shook hands with a third. I want to acknowledge and confirm what the Minister of Natural Resources said, that the direction being taken, the leadership being given to the furtherance of the Garrison Project by two very senior and ranking members, namely Senator Mark Andrews and Senator Burdick of North Dakota, in my judgement has considerably altered the scale since my last visit there a year ago. The strategy that the Minister has mentioned, by taking it out of the House of Representatives and containing it within the Senate is, regrettably for us, I believe going to be a successful one. Senior staff people including our own embassy people could not recall an occasion when an appropriation vote of this nature has ever failed to pass in the Senate.

Senator Mark Andrews, who is chairman of that committee, has successfully sold his colleagues on the fact that they are approaching what they refer to as the All American Plan. They have said that they have for the time being set aside those developments in the

area that is of concern to Canada. It's my judgement - I think the Minister probably shares it - that to that extent we have taken a step back in terms of arresting the development of the Garrison Project.

I would also have to indicate to you that important support that we had such as Congressman Udall from Arizona, who last year voted against further funding for the Garrison Project, but who himself has important water projects in his own State of Arizona, has been leaned upon and told, look, you don't support Garrison, you don't get your water project in Arizona, and has had to tell our officials that under those circumstances he has to reverse his vote.

Mr. Speaker, what I'm reporting to you, Sir, and through you to the Manitoba public, is that the job of the government is considerably increased in terms of our redoubling our efforts to bring home to our American friends the seriousness of this situation, and to repeat and redouble our efforts. In addition to that, my colleague from Turtle Mountain will recall and the Minister will recall, on our last visit we did not feel the presence of the administration in this issue. It was left largely to the North Dakota delegates and Senators to carry the ball on the Garrison. We have now some information that leads us to believe that Undersecretary Watt - there is active direction being given to the construction and furtherance of the Garrison Project.

So, Mr. Speaker, it's with some regret that I would have to report that my conclusions from the trip are that the \$22 million, which is one of the largest sums of money that have been allocated to Garrison in recent years will likely pass, and that the first major construction, namely, that of the Lonetree Reservoir, will take place which is the first major physical facility that is being built across the natural divide that separates the Missouri River Basin and the Hudson Bay Basin, will in fact take place this summer.

Unless this government and this Minister - I want to indicate our complete and utmost support - does everything it can to prevail upon, firstly, our federal officials to re-emphasize to the present American administration that the present All American Plan is still not acceptable to Canada with the inclusion of the Lonetree Reservoir. That position has to be made. I would hope perhaps that could be made at the upcoming Williamsburg Conference that will have an immediate occasion for our Prime Minister to be meeting with the American President. If that's not the case, then there is an officials' meeting coming up in July where that certainly can be pointed out to them.

The All American Plan that is being proposed by Senator Mark Andrews and is currently being sold with some success in the American Congress still represents grave difficulties for Canada. I only want to indicate to you, Mr. Speaker, I think I do this as responsibly as I can, certainly not to score brownie points in the area of politics, we wish to continue the all-party approach in this matter, but I don't think it serves any purpose, Mr. Speaker, to come back to this Chamber and report that all things are coming along fine when, indeed, I'm somewhat discouraged by the recent trip to Washington.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: I move, seconded by the Honourable Minister of Urban Affairs, that the 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 Fitness, Recreation and Sport and the Honourable Member for Burrows in the Chair for the Department of Municipal Affairs.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - MUNICIPAL AFFAIRS

MR. CHAIRMAN, C. Santos: Committee, please come to order. This section of the Committee of Supply is now beginning its consideration of the budgetary item for the Department of Municipal Affairs. As is customary, we shall begin the proceedings with the Honourable Minister giving the introductory remarks.

The Honourable Minister.

HON. A. ADAM: Thank you very much, Mr. Chairman. Before I make any remarks about the content of the Estimates of Municipal Affairs, I would like to thank the Deputy Minister and staff of my department for their painstaking efforts in the preparation of this material, and their dedication to the effective operation of the department throughout the year.

The Department of Municipal Affairs Estimates for the coming year show a dollar increase of \$4,430,600 from \$30,590,400 to \$35,021,000.00. Most of that increase relates to transfer payments to municipalities through grants in lieu of taxes. The grants in lieu increase by \$3,445,900, or 19 percent. The remaining overall net departmental increase is \$984,700, excluding grants in lieu - an increase of 7.9 percent. In other words, there are no dramatic increases in Municipal Affairs Estimates.

Before getting down to a detailed examination of the various branches, I would like to comment on certain aspects of department services to municipalities during the past year. The first Main Street Manitoba project to be approved was at Erickson. Two additional Main Street projects have now been approved, in principle, for Flin Flon and Swan River.

The co-operative effort shown by municipal and business members of the community results in an effective, imaginative joint effort to improve parking and sidewalk facilities, provide landscaping and improved street lighting, street furniture, along with various individual building improvements. The total cost of these projects is estimated at \$885,230 with provincial support amounting to \$520,770.00.

These first three projects are an indication of the interest shown by municipalities and individual businessmen in the Main Street concept. Staff of my Department of Municipal Affairs have been kept busy answering questions, attending informational and project planning meetings, and providing technical project assistance wherever possible.

I was also pleased to be able to announce the transfer of approving authority under The Planning Act to the

Selkirk and area planning district and to the Cypress Planning District. This completes the process which began with the new Planning Act - the establishment of inter-municipal planning concept and a delegation of decision-making to the district once the necessary development plans and by-laws were in place.

The establishment of provincial land use policies played a large part in this cycle of events.

I would also like to say this time that I share my part in this evolution with my predecessors - including Mr. Gourlay and Mr. Mercier - who held a Municipal Affairs portfolio. I believe there is still room for courtesy and mutual respect in the political arena. I have no hesitation in acknowledging the part played by former Ministers of Municipal Affairs in this and other municipal pursuits. Naturally I include the Honourable Billie Uruski and Premier Pawley in this group since we have all played our part in this process.

The prime credit must naturally go the municipal people who put forth the effort and pursued the goal of planning for the future in a logical, co-operative fashion.

The Planning District Seminar was held at Portage la Prairie in November with representatives from all districts. There are now 16 planning districts involving 49 municipalities. Three new planning districts have been formed: The Boyne - with the Town of Carman and the R.M. of Dufferin; Lac du Bonnet, involving the village and the rural municipality; and the Winnipeg River, with the Village of Powerview and the LGD of Alexander.

A good deal of activity is being carried out through planning projects of various types - background studies, draft development plans, zoning by-laws, map presentation - well over 200 such projects.

In addition, subdivision statistics for the period January 1, 1981 through December 31, 1982 show 972 subdivisions approved, involving 2,819 lots, with 1,466 applications presently in various stages in the process.

The department continued its Seminar Programs for municipal officials. This past January and February, 78 assistants in municipal and LGD offices attended courses at Gimli. This fall, with municipal elections to be held, a series of seminars on election procedure will be conducted by the department throughout the province. Following elections seminars will be held again for newly elected municipal officials. These courses have been well attended and received in the past. We are pleased to be of assistance to these people as they begin their municipal service.

The overall staffing picture for the department shows a reduction of seven positions; no employees have been terminated, the reduction in staff results from retirements and attrition.

At this point, I would like to pay tribute to two of the public servants who retired; Bill Morrish and John Acthim. Bill Morrish served the people of Manitoba in the North, and latterly in Winnipeg, for a period of 37 years. His dedication and effort in the LGDs and the Municipal Services Branch deserve recognition. John Acthim's long service with the Municipal Board, as Secretary and Chairman, brought him into contact with municipal people throughout Manitoba. His integrity and competence in a most critical function reflect the highest standards of public service. I am certain members join me in acknowledging such service.

The Administration Branch shows a dollar increase of \$86,700, or 11 percent. I should point out that this branch is displayed somewhat differently than last year to distinguish between the Deputy Minister's office and the Administration Branch Office.

As well, members should be aware that the responsibility for the Main Street Manitoba and the Centennial Grants Program have been moved to the Budget and Finance Branch. The figures for those programs for last year will appear in the left-hand column under Budget and Finance for the Centennial Program, and under a separate appropriation for the Main Street Program.

Members will note that the Minister's Salary shows a full-year cost rather than a half-year cost since previously I shared two portfolios. The increases in Other Expenditures are basically incremental, with no major increase in any specific item. Members should be reminded that the research function is now in the Administration Branch Estimates.

The Municipal Board shows a dollar increase of \$43,600, or 14.2 percent, and most of that increase is attributable to the negotiated salary increase. Operating expenditures are actually reduced by \$4,800.00.

Municipal Budget and Finance shows an overall dollar increase of \$3,243,000, members should note that while the grants in lieu of taxes increased by \$3,445,900, there are corresponding decreases in two other areas. The figure for Centennial grants is down slightly - from \$190,000 to \$140,000.00. This reflects the anticipated municipal Centennials in the coming year.

The Urban Transit Grant figure is also decreased by \$205,400 - from \$880,100 to \$674,700.00. Members will be aware that this reduction relates to termination of the UTAP Program under which the Federal Government assumed 80 percent of bus purchase costs.

Municipal Assessment Branch shows an increase of \$659,300.00. This represents a slight increase in operating expenses related to travel and the negotiated salary increase amount.

The Municipal Services Branch shows a similar slight increase in salary figure and a slight decrease in Operating Expenditures.

The Municipal Planning Branch shows a net increase of \$207,700, the bulk of which is taken up with incremental salary amounts. There is a decrease of \$163,700 in Operating Expenditures.

Provincial Planning shows a slight increase of \$59,000, related primarily to incremental salary adjustments with a slight decrease in the Operating Expenditures.

You will note an item headed "Expenditures Related to Capital Assets." This appropriation contains the Main Street Manitoba Capital Grants of \$1,500,000.00. That program is being administered in the Budget and Finance Branch.

At this point in time I would like to pay tribute to the many people who presently serve on Municipal Councils. Their service, dedication and leadership on behalf of local government in the province should not be forgotten or taken lightly. It is because of the sincere effort of these people who serve their fellow citizens at the grass-roots level that Municipal Government functions so well in Manitoba. Some will be retiring from service this fall and I wish them well. I thank them for their contribution.

I would also like to thank the Municipal Associations in the province, the Union of Manitoba Municipalities, the Urban Association and the Municipal Administrators. The long tradition of co-operative effort between these associations and the Department of Municipal Affairs plays a valuable part in the operation of Municipal Government for us all. I thank them for their contribution.

Thank you very much, Mr. Chairman.

MR. CHAIRMAN: Consistent with traditional procedures in the Committee of Supply, the Chair now calls upon the leading critic of the Loyal Opposition Party to present his reply to the Ministers' opening statement.

The Honourable Minister.

HON. A. ADAM: Mr. Chairman, I should advise that we do have copies of my comments for the opposition if they so desire.

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: Thank you, Mr. Chairman. I would like to thank the Minister for his opening statement and I would also extend my best wishes and gratitude to the staff of the Department of Municipal Affairs. They're a very dedicated working group, as the Minister has indicated.

I also noted that the Minister had mentioned the retirement of a couple of employees and that of Bill Morrish, who I happen to know quite well and had the opportunity of working with Bill while I was the agriculture representative in The Pas area. At that time, Mr. Morrish was the administrator for the Local Government District of Consol. I was always pleased to have a close working relationship with Mr. Morrish and have had the occasion to run into him from time to time since he moved into the city.

Of course, John Achtim is well known for his dedicated work on the Municipal Board for a number of years and other functions with the Manitoba Government and certainly John's services are well recognized and I would like to go on record as extending my best wishes to these people on their retirement.

The Minister indicated in his remarks, Main Street Manitoba Program, and I would just have a few remarks and rebuttal to that program. We in opposition, have been reported as being critical of this program and we have been critical of the fact that the Minister and the government have made great political headlines over the program during the last year-and-a-half. We have been critical to the extent that nothing much has been happening under this program.

Last year some million-and-a-half dollars was budgeted under the program and another million-and-a-half has been budgeted for this year. However, under questioning in the House, the Minister had indicated that there hadn't been any cash flow through this program since its inception, although he did make an announcement that a program had been approved for Erickson, and a number of other applications had been received. Just recently, he has indicated that there are two others that have reached tentative approval and I understand that the Minister has released some

information on these two programs for Flin Flon and Swan River today.

Certainly, we are supportive of this kind of program. As a matter of fact, while I was Minister of the Department I had several meetings with elected officials from Swan River interested in seeing the establishment of a business improvement area and at that time, it was necessary to make legislative changes in the Act to accommodate this kind of program. Certainly if we are critical of the program, we are critical of the fact that it hasn't moved more rapidly, that there hasn't been more action with respect to this area. But perhaps things are starting to jell and, hopefully, a number of applications will receive favourable consideration in the not too distant future.

I had indicated in the House a week or so ago that this happens to be the 75th anniversary of the Town of Swan River. They have spent a big effort in time and in dollars to put a package together that would be attractive and I'm sure that they will be pleased to receive favourable consideration from the Minister, as he has indicated in his remarks, so that Swan River will be able to proceed and upgrade the main street of that very attractive town to make it more attractive and appealing to tourists and local people to do their shopping and business in that community.

I noted with interest the fact that a couple of planning districts have received their authority for approval of subdivisions and that the number of planning districts has grown and the number of municipalities, of course, participating in that program is also growing and I believe that municipalities are not rushing into this program but they are going about it in a sensible fashion to know what they're getting into, and to be able to plan with some organizational skills in the long run. Certainly, that is encouraging that the municipalities are taking advantage of the services that are provided under this program.

With respect to the assessment, I have to indicate at the outset that I have been extremely disappointed at the actions of this Minister with respect to proceeding on the assessment review recommendations. It is well known that many inequities exist throughout the province and in the City of Winnipeg with respect to assessment and certainly this has been identified for a number of years. A few years back under the Lyon Administration, the committee was struck to bring in recommendations to the government so that the inequities could be identified, and recommendations to try and alleviate the many problems which those inequities were giving Manitobans in general. The report was presented to the Minister shortly after his appointment to Cabinet, because it's also well known that it's not going to be easy to make drastic changes to assessment without some political casualty.

I think it's important that the government of the day has to work and get the recommendations in place as quickly as possible in their term of office. I don't say that they should rush into something that they don't necessarily agree with, however, the recommendations represented to the government, I think that the onus was on the government of the day to review those recommendations and come up with a position that they could then take to the municipalities and the people to react to their stand and then, in due course, get on with the job of implementing those recommendations

that they feel that they could live with and, at the same time, would provide the necessary corrections that need to be dealt with as we all know.

The Minister has indicated that he wants to study this issue in more detail. I don't fault him for that, except the committee has brought in their recommendations; the onus is on the government then to take a stand and to implement whatever they can of those recommendations. The longer it's left, of course, the more difficult it will be to implement and, of course, there is also the chance, too, that the work of the Assessment Review Committee could all be for naught if it isn't acted on with some degree of haste.

I think, too, it's fair to say that the Minister is perpetuating a very serious injustice to many Manitobans by the unduly extending of the assessment freeze. We had agreed that the assessment freeze should be kept in place for a specific period of time, but this government chose to leave it open-ended and were able to force that legislative change so that, at the present time, the assessment freeze is in forever unless it's lifted by Order-in-Council. Certainly we have had no indication from this Minister that things are going to happen with respect to the recommendations, the Legislative Standing Committee on Municipal Affairs held a series of meetings throughout the province to hear submissions and presentations from Manitobans regarding a test case of the recommendations. That committee has not been called to finalize a report and bring back a report to the Legislature.

Though the Minister did not touch on the situation, I understand, according to questions posed to the Minister, that he had met with the Municipal Advisory Committee on a number of occasions, but just recently he met with the group to discuss the recently announced bilingual agreement. As I understand it, the municipal people have serious reservations about this whole agreement; they've requested the Minister, through him, to advise the government to proceed slowly on it; to make available the opportunity for municipal people and Manitobans to have a chance to discuss this further and to have input through some means, whether it be Legislative Committee to discuss this agreement in more detail, and to get more information so that they can better assess the whole agreement package with respect to bilingualism in Manitoba.

Mr. Chairman, I think that those are the remarks that I have at this point. We will be having discussions with respect to the Estimate line-by-line details, but I will stop at this point.

MR. CHAIRMAN: Thank you. Before we proceed any farther, the Chair now extends the invitation to the members of the administrative staff of the Department of Municipal Affairs to kindly take their respective places.

Postponing the Minister's Salary which is Budget Item 1.(a) as the last item for our deliberation, we shall begin immediate consideration of Item 1.(b)(1) which is Executive Management, Salaries.

The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman. I have some comments here that I'd like to make. First of all, having been involved in municipal life for some years,

I have a very close feeling for municipal people and wish to express some of the views that I think would coincide with the position that the municipal people might have. I would want to agree on one thing with the Minister, that the municipal people are the grassroots, in my opinion, of government generally, and very often that this is overlooked.

I'd just like to open my comments by saying that personally I have a good feeling toward the Minister as an individual. I think he's a pretty nice guy. I've had occasion to attend a few function with him and I sort of enjoy it with him. I'm talking this on a personal basis.

A MEMBER: He's not a mean guy.

MR. A. DRIEDGER: However, when we get down to the responsibility of this Minister, with his portfolio as Minister of Municipal Affairs, that's where the nice guy image has to stop, at least in my mind, because I have some very, very severe criticisms that I would like to direct to this Minister, basically in four categories. I would like to outline them and then get into that a little bit deeper.

The four categories are, first of all, the total unwillingness of this Minister to react to the MARC Report. He's been stalling and fudging the questions in the House as to when the committee will meet again. I detect a total unwillingness of this Minister to act on that aspect of it. He's trying to wiggle and squirm around all the issues as best he can, and I think the issue, and I'll get into that a little deeper, is very important that we should deal with that and that the Minister will have to come up with his views, what his personal feelings are, and quit hiding behind the bushes in terms of what he's going to do with the aspect of the MARC Report.

The other area where I feel very strongly on, during the 6 and 5 restraint guidelines that were outlined by the Federal Government. The municipal people took this matter very seriously to heart and I think almost all municipalities tried to work within those guidelines of 6 and 5, and some even less than that. We have this Minister who is totally unsympathetic toward that position of the municipal people. That is the second category where he's totally let them down, and I feel the Minister has to be accountable as to why he would not take and force that kind of position on his colleagues when the municipal people were showing foresight and leadership in terms of showing this government what should be done, in terms of the economic problems that we're faced with in the province, as well as in the country.

The other thing, the lack of action by this Minister on the MARC Report; but then he brings in legislation, which is conflict-of-interest legislation, for municipal people. I am gravely concerned about that; why the Minister would feel that he should proceed on something of this nature when he's totally failing to act on many of the concerns that the municipal people have. I attended a meeting in Brandon where this Minister was, again, sort of trying to slide around the bushes and not really come out with a definite position, in terms of what he was going to do with conflict-of-interest legislation, and bang, here in the Session, we're already dealing with it. It is this kind of thing that makes me very unhappy with this Minister. As I indicated before,

as an individual, I have no criticism toward him, but in his responsibility as Minister of Municipal Affairs, he is lacking, he is doing an injustice to the municipal people and I feel very strongly about that aspect of it.

The other thing, the fourth item that I think we haven't even seen the tip of the iceberg with that one, is the position that the Manitoba municipal people - what are we calling it here - the union, the concern that they've expressed about the bilingual effect that it might have on municipalities. My colleague, the official critic of Municipal Affairs, indicated some of these concerns already and these are the four categories where I'm very concerned, and we find that we have a Minister here who refuses to act on these things.

I won't get into the planning aspect of it and the Main Street Program, which we've been fudging around for two years and finally, great day, we've got two more projects approved - it's great and I don't want to get into that - but I would like to get back to the MARC Report and ask the Minister exactly what he has in mind, in view of the fact that he's been sitting on this report for a long time. We went and had hearings during the winter months, the municipal people almost to a man, indicated, "Act." They had various suggestions; every time I've raised a question in the House as to when we would be conducting further meetings with the committee, the Minister says, "In due course, in due course."

What I'd like to know right now is, what is the Minister's position regarding the MARC Report, based on the fact of the submissions that were made, but also his personal opinion? What does he feel, what is he going to do, what is his course of action regarding the MARC Report?

MR. CHAIRMAN: The Honourable Minister.

HON. A. ADAM: Mr. Chairman, I'm not sure whether the opposition want us to deal with the policy question on the administrative appropriation or whether they wish to deal with that particular item and the matter of policy on my salary and I ask for your guidance on that, Mr. Chairman, and the official critic of the Opposition, whether he would like us to deal with that now and dispense with it later or shall we wait? I think in all fairness to the staff here, it would be perhaps better to wait for that particular issue to be dealt with on my salary.

The matter of assessment, the line under which that falls, we have staff here to answer any questions in regard to the delivery of assessment services. But in the matter of policy, my own personal view is that perhaps if they would leave it till we get to my salary then we can thrash that around for a while if they wish.

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: Mr. Chairman, I think that this is the appropriate area to discuss some of these areas - certainly they're areas that could be brought up under the Minister's Salary, as well - but I think they come under General Administration and it certainly would be in order to discuss them at this point. Some of my colleagues that are here now may not be available to be present later on when we end up with the Minister's Salary.

MR. CHAIRMAN: What is the pleasure of the Minister? The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman. On the line-by-line, I personally don't have that much concern of it. It is these areas that I feel are of great concern to me and I think, under the Administration end of it, we could deal with it and we could still give the Minister another thrashing under the Minister's Salary, which I think is quite appropriate as well. But I feel that under Administration, that these things could be dealt with now and we would like to proceed with them now.

MR. CHAIRMAN: The Honourable Minister.

HON. A. ADAM: Well, I'm trying to assist the process to proceed as quickly as possible in order to avoid repetition, because if we're going to go through with the policy question on the assessment reform now and go through a whole host of discussion on that, and then when we come to the Minister's Salary, we're going to go over the whole thing again, so I think that's just an exercise of futility.

I certainly suggest to you, Mr. Chairman, that we deal with the line-by-line Estimates and when we get to the Minister's Salary, then we can deal with the assessment question; that is the MARC Report. The assessment question, that delivery of services will be dealt during the line-by-line.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman. I think it would be most beneficial if the Minister, having available to him at this stage in the Estimates, his staff, to provide him with some answers, it would certainly enlighten the kind of exchange of information that we request and we desire; that it would give us the advantage of reading the Minister's answers in Hansard to make sure that we fully understand what he's saying, so that in the wrap-up of the Minister's Salary, we can point out any area in which the Minister needs some advice from the opposition.

I think it's fair to him; it's fair to the department; and more importantly, Mr. Chairman, it is extremely fair to the hundreds of elected municipal officials in Manitoba that are watching, with a great deal of interest, this debate and the answers that this Minister is going to be providing to the opposition when they question him on subjects that they're having difficulties getting answers out of the Minister on.

So I think we cannot, in any way, have the Minister not willing to enter into policy debate under the General Administration appropriation of this department, under the excuse and guise that he'll answer those questions in his Salary - he won't. We want to get those answers now and we will sum up our comments in the Minister's Salary, basic answers we're going to get, hopefully, from the Minister in discussion of the administration of the department.

MR. CHAIRMAN: The Member for Springfield.

MR. A. ANSTETT: Yes, Mr. Chairman, I appreciate the procedural arguments that are being advanced by

members of the opposition with respect to the way Estimates should proceed.

I would just offer one caution to the committee, that the subject matter of the MARC Report has been referred to a Standing Committee of the House and that subject matter stands referred to that committee and is the subject of that committee's report, when that committee meets.

Extensive debate then, on recommendations and policy, with respect to the MARC Report and then the report of the Standing Committee would allow then a duplicate debate in the House on that subject, and all of our rules are designed to provide that debate on subjects occur once in each Session. That's why the rules are designed that way so we don't get into the kind of repetitive situations the members are suggesting.

So not only are there two opportunities, as the Member for Pembina would suggest and the Member for Emerson, but there are potentially three opportunities for this debate to occur and I would suggest to the committee some caution should be exercised about allowing that wide-ranging policy debate during the Estimates, when that subject matter has been referred by this Assembly to a Standing Committee. That's not to suggest we should not have a full debate on matters relating to assessment, as it relates to the Estimates before the committee from the Minister, but I would certainly suggest that a detailed debate of government policy - when that policy and the report of the committee is not even before the Standing Committee on Municipal Affairs - would present the House with a situation where we were debating one item twice. I think that would be improper and I think some caution should be exercised about going into that whole area and having a debate in that whole area, rather than sticking purely to the Estimates of the Assessment Branch.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, that, under normal circumstances, might be presented as a logical argument, but under the circumstances it lacks logic and it lacks reality. We have been asking this Minister since the end of January to reconvene the Municipal Affairs Committee so we can get on with the discussion of the MARC Report. That committee is, and will be called at the request of government. The opposition has no opportunity to determine the timing of that committee. The government can and appears willing to prevent the opposition from discussion of the MARC Report by not calling that committee.

Therefore, these Estimates are the only chance we've got to lay concerns of the municipal people on the record and ask this Minister questions, because this Minister can hide behind the Chair on the Municipal Affairs Committee and not call it, and thwart us from making our points with the Minister. He's done it consistently for three-and-a-half months now. That's why we want to have the discussion now and we don't want to be stalled and stonewalled by a government majority from having that discussion now.

HON. A. ADAM: Well, Mr. Chairman, the legislation requires, the Standing Committee of Municipal Affairs

have had hearings. The legislation requires that that committee report back at the next Session and this is the next Session and that will be done. I have given that assurance in the House and I give it again here today. I would say that it will be called perhaps sooner than later now because much work has taken place since the committee hearings have been completed. I would agree with the Member for Springfield that there is going to be ample opportunity to debate the question and we will be bringing forward recommendations to the committee for their review and I believe that they will be pleased with what we are recommending to the committee, and that can be decided at that stage.

At this point in time, I would ask indulgence of honourable members if we could possibly proceed with line-by-line and if they would like an update on where we stand at the present time, what has taken place and where we're going from here, during my Salary debate I can bring them up-to-date where we're proceeding.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman, well first of all, I don't find that acceptable at all, the suggestion of the Minister at this stage of the game. The Minister could have avoided all those problems if he had called that committee sooner. He has indicated much work has taken place. I would like to ask what work has taken place. The other aspect in terms dealing with the technicality of where we can discuss this, I would think that under General Administration, we should be able to deal with any subject that deals with this department. His staff is here; they should be able to provide answers if the Minister doesn't have them.

I feel strongly that if the Minister wanted to he could have avoided this. He knew his Estimates were coming up; he could have called the committee; we could have had the debate; we probably could have resolved the position that he and his department have on the MARC Report. But he didn't want to do that; he stalled us and stonewalled us every time the question was raised in the House. Now the Minister, as far as I'm concerned, is accountable and he has to tell us when he will call that committee. If not, we want to go over the whole aspect of it and I think we are entitled to do that under this item.

MR. CHAIRMAN: The Rules of this Committee state in Section 64(2) that the speeches in the Committee of the Whole House should be strictly relevant to the item or clause under discussion. Item 1.(b)(1) is broad enough, but not broader than the Minister's Salary. It depends on the Minister. There is a saying that says you can bring the horse to the water but you cannot force the horse to drink.

MR. A. DRIEDGER: But we want to make this one drink.

MR. CHAIRMAN: So I would ask the Honourable Minister what his preferences are.

HON. A. ADAM: Mr. Chairman, if I could have assurance from the opposition that when we get to my Salary,

we can pass the Salary without going over the same argument, the exact same argument that we're going to go through now on Administration. If I had that assurance, I don't care when we deal with it. I'm just trying to speed the process but I don't want to go down to the trough and have to drink the water twice.

A MEMBER: You're looking pretty dried out. You're going to need it.

MR. A. DRIEDGER: Thank you, Mr. Chairman, I don't know whether the Minister is in a position to dictate to the opposition as to how often they can speak to him about certain subjects. I'd feel very concerned if that is what his concern is, and as far as the time element is concerned we've wasted a certain amount of time right now just debating whether he's going to answer questions. The fastest way that I can suggest to this Minister that his Estimates are going to be finished is if he's going to start answering some of the questions. The moment that happens, we'll be off and running and it won't take that long. But if he's going to stonewall us again as he has now for months already in the House, then it's going to be a long Estimate period here.

I would suggest that we deal with the questions that we have at this stage of the game. If later on the Minister feels some of the questions are repetitive he can then not answer them, that's fine. But at this stage of the game, we want some answers. We're not going to let this thing fly by, slide by, and that at the end when the Minister's Salary comes up, he says, well, my staff isn't here, I can't answer it. I would suggest to the Minister to answer them right now and let's get on with the show.

HON. A. ADAM: Mr. Chairman, the information that I can provide to the members will not necessarily include staff because then you will be getting into the contents of the green book and how that was done and how that was arrived at, the analysis. We don't want to go over that debate or what the MARC Report contains. The only thing that I can provide for members now or on my Salary is what has happened up to this point in time and where we're going from here. That's all I can give them at the present time. If that is satisfactory to them, if they want it now, I'm prepared to give it now as long as I don't have to go over the whole procedure again when we get to my Salary because that's . . .

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: Mr. Chairman, I think we have identified certain areas that we would like to question the Minister on and I think it would, for his benefit, he has the staff available now. When we get to the Minister's Salary, I can't say how many question we may have at that point but in any case, when we get to the Minister's Salary the Minister will be obligated to provide those answers on his own or get the information back to us. I don't see us dwelling too long on a lot of the line-by-line areas. We have identified those areas where we have some concerns, and I don't see that we'll be needlessly duplicating the questioning.

MR. CHAIRMAN: As the Chair sees the problem, there are two categories of questions that could be asked, strictly policy questions relating to the report to come, or factual and technical questions in which the staff had information. It will be duplicating proceeding if we are asking the same policy question again and again. There is such a rule against double jeopardy in criminal law, so there's also a rule against double jeopardy as regards to the Minister's Salary.

The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman. First of all, I'd like to make a little reference, there seems to be so much concern about duplication that could take place, the speculation that it could take place. But our Clerk of the House when I was Chairman of the Committee of Supply, indicated at one time - I always had concern about duplication - that duplication is part of the parliamentary system; if it happens that there is going to be some duplication I think there's nothing wrong with it. That was the instruction I received at that time. I think there is overdue concern about possible duplication.

I think what we have to deal with right now is that the Minister has received a report, a municipal report, as all Ministers that have forwarded reports to members of the House and we have been able to deal with those Ministers' reports in the committee at all stages. I can't see why there's any hesitation in not dealing with the MARC Report at this stage of the game because the Minister obviously, if he gives us the answers that we want - when are we going to meet? what is his position? - then we won't have to spend a lot of time with this. The Minister is again saying well, soon, maybe sooner than we think. Well, we thought that in February when the Minister gave me assurance in Morris, stating that within a couple of weeks he would be calling the Municipal Committee to meet again. We still haven't met, and we still get the same answer. If that is what's going to happen then we'll dig in on this thing here now.

I would suggest that the Minister come out and giving us the answers. What is his position regarding the MARC Report? When will the committee meet? We want some definite answers on that, not soon or sooner than you think.

HON. A. ADAM: Mr. Chairman, I'm amenable to discuss it now, but I'm not going to be able to provide all the answers that the opposition want because, first of all, they're asking me for my opinion on the MARC Report and I don't intend to provide that today. I intend to wait until the committee meets to discuss our recommendations that we will be making to the committee.

As the members are aware, doing a major reform on a system of assessment in the Province of Manitoba, such as, recommended by the MARC Committee, has to be recognized as a major undertaking. It has to be recognized as such, and one that we should proceed with cautiously and have as much information, if not all information, available to us. I know that we could probably obtain all the information that we possibly could, and we would probably find out that there is the unknown and the unforeseen that will happen, even after you do something.

I think the question is of such magnitude and complexity that, even the opposition, should recognize that we should not proceed too quickly, that we would proceed as quickly as possible, without doing things that we may come to regret, or introduce legislation that we may come to regret in the future. The Province of Ontario, the experience in other jurisdictions, if that is of assistance to us; it is my understanding that the Province of Ontario has been trying to grapple with assessment reforms since back in the '60s - I am not sure whether it was 1965 or 1968 -

A MEMBER: Yes, but that's a Tory Government, Pete, you're in New Democrats.

HON. A. ADAM: I know that New Democrats move a lot faster than Tories, but in the case of Ontario it's close to 20 years that they have been trying to grapple with reforms in their own province.

Now our sister province of British Columbia has had major problems in reforming their assessment system and, in fact, they have changed their system now and they are already trying to amend it. So it's not something that the opposition, or anyone else - I am not trying to be critical to the opposition in their impatience in what we have been doing - but I would like and hope to have a closer look, as well, later on this fall, I would like to have a close-up look at what really has happened in British Columbia, it would give us some experience.

Now, in my opinion, the recommendations and a complete reform of the assessment system in Manitoba will no doubt be one of the major changes, if not the major change, in our time. It will be the major change in our time as far as the Department of Municipal Affairs in providing assessment service for the people of Manitoba. A complete overall of our assessment system, as suggested and recommended by the committee, the Weir Committee, would no doubt be a major piece of legislation that we will be having to introduce. We want to have something in place that will stand the test of time and something that will . . .

A MEMBER: No, not another Perfect Peter Program.

HON. A. ADAM: . . . something that will rectify with the least problems, rectify the inequities that exist out there, and there are a lot of them there that have to be addressed.

That is why, with all due credit to the MARC Report, and we certainly commend them on the work that they did, and the methodology that they used, and the amount of work that went into that report. With all due respect, they did not have all the information. I say to you, Mr. Chairman, they did not have all the information. We have actually more information now as to the impact of implementing the MARC Report than they had, and we are still lacking of a lot of information at the present time. We are receiving more information all the time and we are still doing studies. That is why we chose the method that I did, to choose the route, and I think we are proceeding in the proper manner. That is why I have requested of my staff, because of the complexities and the magnitude of this change, and the affect it will have on farmers in Emerson, and farmers in Swan River, and farmers in Gladstone, and people in rural Manitoba

and all over the province; that is why I have requested by staff to accumulate as much data as possible. That is one.

Two, we asked them to - I'm sure you know some of the things that we did, how we proceeded. First of all, I requested of staff to do a study of the MARC Report because very few municipal people understood, or were capable of grasping, the magnitude and the complexities of that document. We were receiving requests from municipal governments and, along with the distribution of the report to Municipal Government, I did send a letter requesting responses to the report. We have received a number of requests to please come and tell us what is in the report because we just can't grasp it and we want to meet with you before we can even respond.

That is the reason why we undertook the analysis and that is the reason, first of all, and the process that we did was I asked staff to go out into the different school districts and municipalities and do actual pilot projects based on the recommendations. Now that's time consuming. It may not be to the opposition time consuming, but it sure is to staff. That takes time to do reassessments based on a new system, not a system that they're accustomed with, but a system that's been recommended by a committee. So they did, in my opinion, a very very good job and I commend them for that.

The second step is to prepare an analysis, and that was the green book that we then undertook and prepared - and that took time, that was time-consuming - and that was distributed to all municipal governments and to all people who had made presentations to the Weir Committee. So that was one step in the procedure, then we had the hearings and then we had an analysis. We have asked the staff to prepare an analysis, which has now been done, of all the presentations. I have now received that about a week ago.

We have an analysis of the briefs that were presented and I think that given available information that we have at this point in time, I still feel that we should have all information before we can implement it. If we were to implement the entire recommendations of the MARC Report, we require additional information because at the present time we only have about 50 percent of the valuation of farm buildings, for instance.

Before we know what the final impact would be on implementing assessment on farm residences or farm property, we have to have that information otherwise we don't know what the impact is. We only have about 50 percent of the farm residents at this point in time, and farm buildings that are assessed - maybe not taxed but are assessed. So that information would have to be available. I would not want to proceed until I had all that information.

I believe that staff have done all they can now with the information that we have. We would have to have more information if we want to go ahead with the whole package. What we could do and where we're at at the present time, is all the information that we have available has to be passed by my colleagues. We are prepared now to bring recommendations and I am beginning to do that over the supper hour this evening.

We have a subcommittee of Cabinet that will review the recommendations of staff. If those recommendations are acceptable they then go to

Cabinet and my colleagues, then if those recommendations are acceptable, then we call the Standing Committee on Municipal Affairs and we present it to them. If they are satisfied with those recommendations, we will then make a report to the Legislature.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman. The opposition fully realizes the immensity of the problem. In fact we are very much aware of the municipal problems that the assessment situation is creating. But I would like to try again to see whether I can get some specific answers from the Minister. He indicated that the summarization of all the reports has been done, that he has had a copy available now for a week. When is the Minister then planning to call the Municipal Committee for further . . . ?

HON. A. ADAM: One way or another as soon as the recommendations have been approved by Cabinet, then I am free to find a date or a day during the schedule of the Attorney-General, the House Leader will have to decide or pick a date when we can meet together. I expect that it would be - I can't give him an exact date - because one way or another, the committee has to meet and I can almost give you assurance that it will be certainly, hopefully within the first three weeks in June, sometime during that period, or sooner.

MR. A. DRIEDGER: That is my criticism exactly towards this Minister. He sat on this thing to the point where now, finally at the tail end when his Estimates are up, he now says, well tonight he'll have a meeting with some of his colleagues during the supper hour and then he is going to start the process going. The Minister knew that this whole process was going to be happening, why hasn't he moved a little sooner on it? Why now is he going to start meeting with his colleagues? They will peruse this thing and then finally recommendations will come forward.

The question that I have of this Minister, is he planning any legislation regarding assessment in this coming Session? Is the Minister planning any legislation during this coming Session regarding assessment?

HON. A. ADAM: Well, that is a matter of policy but that's a possibility, but that is a policy matter.

MR. A. DRIEDGER: Mr. Chairman, could I ask what legislation would the honourable member want us to pass?

MR. D. ORCHARD: Are you government, or are we?

MR. CHAIRMAN: The Member for Elmwood.

MR. R. DOERN: I want to commend the Minister on doing a good job here, but he may be moving a little too quickly and this is my concern. I want to plead with him to exercise a lot more care and caution and not be stamped by the Conservatives here.

HON. A. ADAM: I don't intend to be, Mr. Chairman.

MR. R. DOERN: Don't let them push you around.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, I can't quite find this acceptable, the position that the Member for Elmwood is taking or the Minister himself. He is indicating that he will not be stamped into anything, which is fine and dandy, but he does not give us the answer as to whether there will be any legislation forwarded because he first has to meet with his colleagues. He asks us what legislation should be coming forward. What do we suggest? Well, if he'll give us the report that is available now, then we can probably make some suggestions. If he calls a committee then we can maybe meet and decide what legislation possibly could be considered because the Minister obviously knows the problems that are on the system right now.

First of all with the freeze that's on in Winnipeg; there is a misconception or a problem with the municipal people who are getting reassessed every year; where they have major problems developing in the assessment system. I can illustrate to the Minister and he well knows, the R.M. of Franklin last year, the LGD of Stuartburn and Piney this year, the problems that these people are running into.

As long as this Minister is sitting on this thing saying we have to study it, it's a big problem, everybody knows that; that is why the MARC Report was authorized to begin with. Here the Minister is sitting on this thing and saying, yes, we are studying it. It's a big problem, we're studying. We have to have more information available. He's got a copy available right now. Is this copy that he has, would it be available for the members of the committee at the present time?

HON. A. ADAM: The recommendations or the proposals that staff have prepared for us have to be passed before the subcommittee of Cabinet and it has to receive Cabinet approval before we can deal with it. I can assure the members that one way or another, there will have to be some legislation brought in at this Session. I can't give a commitment on what the legislation will be but there will be some legislation.

MR. A. DRIEDGER: Mr. Chairman, I thank the Minister. At least he has indicated that there is going to be legislation regarding assessment coming forward in this Session. I would just want to remind the Minister then that we're getting down to the tail end of the Estimates, and with the workings of this government, we don't really know how long we'll be sitting here. But there is a possibility things could move along fast.

I am suggesting to the Minister that if he's planning legislation regarding assessment in this present Session that he better get moving because the problems are not going away, they're getting bigger every time. The Minister full well realizes that he has to move on some of these things because the problems are getting magnified all the time. He's sitting there saying, well, we've got to study it, we've got to study it.

He has now indicated that there is legislation coming forward regarding assessment. I think he's probably premature in saying that because he indicates that he has a report that has to be passed by Council and

Cabinet, then we'll meet as a municipal committee. Then finally, he'll be drafting legislation at this stage of the game.

I think the Minister maybe hasn't figured out quite how he's going to handle this whole situation. That is what's basically our problem with the four categories that I indicated before; all of them. The Minister is just refusing to move; he's not concerned about the municipal people. When they illustrated 6 and 5 restraint, this Minister didn't listen to them at all. He didn't listen to them when they said, don't bring in conflict-of-interest legislation, who asked for it? The municipal people in Brandon at that time that said, if you bring in that kind of legislation, we don't want to be involved in municipal life. He's pulling the teeth of the key people that are the grassroots of this province and this Minister's toying around with things. He hasn't done one positive thing since he's become Minister, unfortunately, and I feel very concerned.

Today, it's taken us the better part of an hour, and we have gotten this far - that he's planning to bring in legislation. He still doesn't know how he'll do it because the timetable will not allow it the way he's outlined things. We still haven't dealt with the MARC Report, which is a major report.

If the Minister thinks that we'll sit down at one meeting of the Municipal Committee and deal with it, I don't know how he views the immense problem that there is in the thing, because if that is what he has in mind then he must have a preconceived idea of what he wants, which direction he is going to go. If he has that all in mind, then he must have an idea of where he's going to go. But I don't think the Minister has an idea of where to go, what he's going to do with it. The problems are getting bigger and the municipal people are getting more excited and nervous about it, and with all the aspects of it, and I'm sure the Union of Manitoba Municipalities has told this Minister, start acting on some of the things, and he's refusing to do it, unfortunately.

HON. A. ADAM: I would remind the honourable member that when the report came out, yes, there were a lot of municipalities and the association were anxious to get moving on it, but I want to say that during the hearings, there was a lot more caution expressed on how we should proceed. We've had letters and requests from different municipalities and the more we met, the more we spoke, the more information was being given out and the more information that we received and there was a change of attitude. It wasn't exactly the same attitude as when the report came out because it looked all nice and rosy, looking at a very complicated document with 375 pages or 364 pages - I don't remember exactly - 164 recommendations.

But I want to say, in regard to the conflict of interest, which has nothing to do with the Estimates here, I would point out to you, sir, that the legislation is not provided for in the Estimates but I would certainly want to remind the Honourable Member for Emerson that it was his colleague, the former Minister of Municipal Affairs, that asked the Law Reform Commission to study conflict-of-interest legislation for both the members of the Legislative Assembly and Municipal Governments and that they filed a report and both associations supported

the report of the Law Reform Committee. I would remind him that he had better reflect his comments in regard to the conflict of interest because both associations were in support of the Law Reform Committee report.

MR. A. DRIEDGER: The question I have to the Minister is, can the Minister indicate the problems that the freeze on the assessment in Winnipeg is having? There are obviously major problems with that. Are people allowed to appeal their assessment at any stage of the game when the freeze is on?

HON. A. ADAM: Mr. Chairman, we're getting in now to the whole issue that we're trying to avoid. I told you where we were at and Bill 100 is there, introduced by the former government, extended by us under recommendation of the MARC Report. The amendment to extend the freeze was in the preliminary recommendations, which we did, and I'm sure that the MARC Report indicated in their preliminary report that we had to extend the freeze, which we did. The reason why we left it as the discretion of the Lieutenant-Governor-in-Council is because we didn't want to put a date three or four years down the road and as the MARC Report recommended, we had two options; one was to phase it in by 1987 and keep the freeze on until 1987. We didn't want to do that; we wanted to be in a position to drop it sooner if we could, and that's why we left an open end on it.

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: Well, I think that the Minister has to put on record that the MARC recommendations were also that they did not recommend that route; they said that it would not be desirable to extend the freeze beyond the end of 1983.

HON. A. ADAM: They gave us two options; they said we could do it that way or we could phase it in until 1987, so there were two ways it could be done.

MR. D. GOURLAY: Yes, they gave you two options, but at the same time they also strongly recommended one option to go because the option that the Minister makes reference to, they indicated in the report that it would not be desirable and there'd be a lot of opposition from the people of Manitoba if the freeze was delayed unduly. Their strong recommendation was that the freeze be not longer than the end of December, 1983. The Minister chose not to go that route and he put in the freeze which would leave it open-ended and could be on forever, until it was lifted by Order-in-Council.

HON. A. ADAM: I think the member should really review the report again because I think the committee recommended that we go to 1987 with the freeze. The honourable member should review that again because I think that is the case and that was another option. The other option was less preferable, I think, and that is why we left it open-ended, because I thought 1987 was too long. I was hoping that we could address the problem before 1987 and that's why I didn't want to put 1987 in there and left it open.

MR. D. GOURLAY: Mr. Minister, are you saying that the recommendation was that the freeze be preferably left on until the end of 1987, or did the recommendation point out that the freeze should only be continued until the end of 1983?

HON. A. ADAM: I don't have the MARC Report here, but staff advises me that that is the case.

MR. D. GOURLAY: Well, I'd be happy to check it over the supper hour, but as I recall, the recommendation from the MARC Report was that the freeze should not be extended beyond the end of 1983, because it would be undesirable to have the freeze in place for the longer period of time.

MR. CHAIRMAN: Before we go any farther, if nobody is sure about what the MARC Report contains, and besides, I don't know if this is the proper forum for the discussion of the substantive recommendations of the MARC Report.

The Member for Springfield.

MR. A. ANSTETT: Mr. Chairman, we're rapidly approaching 4:30 and our time for interruption for Private Members' Hour. I realize that some members do want to go into substantive policy discussions on the MARC Report and the subject matter that's been referred to the committee. However, I did raise, during the procedural discussion, some reservations about how far we should go into the subject matter that's referred to the committee and I think we certainly more than crossed that line.

I think, Mr. Chairman, we should look to having discussion more pertinent to the Estimates that are before us and not to a policy question that has been referred to a Standing Committee, and stands referred to that committee. I appreciate members' opposite concern about the fact that the committee has not been called to discuss those policy questions. I appreciate their reluctance to await the committee's call, but at the same time there are certain rules and procedures that are set down and continuing this discussion this evening, for purposes of engaging in a policy debate which is going to be duplicated once that committee is called, and in the House when those bills are brought in, is beyond the purview of this Committee of Supply. Mr. Chairman, I submit that this discussion should not continue and should not be allowed.

MR. CHAIRMAN: The hour being 4:30 we are interrupting the proceedings of this committee for the Private Members' Hour.

SUPPLY - FITNESS, RECREATION AND SPORT

MR. CHAIRMAN, P. Eyler: We are in the Department of Fitness, Recreation and Sport. Does the Minister have an opening statement to make?.

The Honourable Minister.

HON. L. DESJARDINS: Well, Mr. Chairman, I think that there has been pretty well a meeting of the minds here. There hasn't been that much change in the last few

years. The programs that we have have not been controversial, some of these programs were started in the previous administration and most of them, actually, started even before that, so the statement would be pretty well the same remarks I made last year.

But, again, I certainly would be remiss if I did not recognize the work and the dedication of our staff of the department who have always showed an awful lot of interest and have spent many hours, because this is a department that you spend many hours after the usual working hours when the offices are closed. So I certainly would want to recognize the Deputy Minister and his staff, some of the staff, as we know, in this department, although they are paid by this department, their salaries come under this department, but they are also running a service and doing the work for Co-op Development, and I'm talking about the research and planning and mostly the administration.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: Yes, I just have one question, Mr. Chairman, that I would like to direct to the Minister. With the recent announcement of the construction of the new arena in Cross Lake, I wonder if the Minister would be encouraging the St. Louis Blues to move to Manitoba and play out of that fancy arena.

HON. L. DESJARDINS: One condition, they'd have to be known as the Cross Lake Blues.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you. Just a few points of clarification before we start. With regard to the Lotteries, I wonder if the Minister could indicate at what point we would discuss that; would that be when we come back to the Minister's Salary at the end?

HON. L. DESJARDINS: Mr. Chairman, if this meets with the will of the committee I would like to go with what we have in front of us, the Estimates. When we finish that I would like to give any information with the lottery funds that we have, the grants and programs, under Recreation Resources Development, under Fitness and Sports Development; and then, finally, we can talk in general about the Lotteries, probably in the Minister's Salary, I think that would be the best.

Excuse me, maybe I should make this correction. Before going into the Minister's Salary so I can have staff if there is certain information that I haven't got on some figures.

MR. CHAIRMAN: Item 1.(b)(1) Departmental Administration—pass; 1.(b)(2) Other Expenses.

The Member for La Verendrye.

MR. R. BANMAN: Mr. Chairman, throughout the Estimates we see that, almost in every line, the salaries, of course, have been increased to meet the GIS increases, however, the Other Expenditures on almost every line have been cut. Maybe the Minister could just generally explain what has happened; and I would ask him if there are any of these particular expenditures

in many of these lines have been transferred over and will be funded from general lottery revenues?

HON. L. DESJARDINS: Mr. Chairman, yes, the explanation would, indeed, be the same pretty well for all, especially the Administration part. The Salaries have increased because provision for annual increments, general salary increase, and additional pay period. Now I might say that there has been, I think, a reduction of 1.30 staff in the department, there has been no increase. Now, as far as the Other Expenditures, the directive that we've had that, of course, we could use the Lotteries money, but looking at what we're asking for at this time there is a situation where we've been told that we would not have any increase, and this is one of the reasons we have cut down. Mostly trying to save in transportation and those things; we're convinced that the programs will not suffer that much. Under Lotteries, for instance, the Capital program, I think, that it's not quite the same as other years. We have received our money late this year, some of it this year and some of it was overspent so we've cut down from \$2 million to \$1 million, but that's the only one. I should say that also the increase in salary, that there's the provision also that we had to assume the 1.5 levy on school and health.

MR. R. BANMAN: To try and same some time, I wonder if the Minister could inform the Committee whether - again dealing with Other Expenditures - the reduction is strictly on a cost saving, effecting cutbacks within the departments, to save those costs; or are there some areas throughout the Estimates that have been shifted to Lotteries, in other words, maybe some of the grants that were included, and a few of the other items, and that type of thing have now been shifted from the Appropriation to the Lotteries side.

HON. L. DESJARDINS: It was transferred; I think we will come to that, it's the salary for Bird's Hill Camp and then there's was a transfer to our department from Government Services for the Special Olympics, \$10,000 that will show. Especially on the first part, General Administration, it's pretty well the same with the same staff and so on that we had before, there's no change there at all, except the explanation that I gave.

MR. CHAIRMAN: 1.(b)(2)—pass; 1.(c)(1) Administrative Services: Salaries—pass; 1.(c)(2)—pass; 1.(d)(1) Research and Planning: Salaries.
The Honourable Member for La Verendrye.

MR. R. BANMAN: The Minister mentioned in his opening remarks that some of the services of the Department as still cost-shared, some staff members are shared with Co-op Development. Does the Department of Fitness, Recreation and Sport still pay for the salaries, or are some of these costs borne by Co-op Development?

HON. L. DESJARDINS: Mr. Chairman, our department pays for 100 percent of the salaries, the expenses, and the component, three in this group here of Research and Planning and they are sharing their time with the Co-op Development also as in the past, there's no change there.

MR. CHAIRMAN: 1.(d)(1)—pass; 1.(d)(2)—pass; 1.(e)(1) Lotteries and Gaming Licensing Board: Salaries. — (Interjection) —

2.(a)(1) Fitness, Recreation and Sport, Divisional Administration: Salaries.

The Member for La Verendrye.

MR. R. BANMAN: I believe the Minister indicated it was under this particular department that we could ask some general questions with regard to grants.

MR. CHAIRMAN: Mr. Minister.

HON. L. DESJARDINS: No, Mr. Chairman, I would prefer when we turn the page on 74 we'll have all the grants and we'll start with the grants on the Estimate and then with the Lotteries. This is just strictly Administration again but for that particular section.

MR. CHAIRMAN: 2.(a)(1) - Mr. Minister.

HON. L. DESJARDINS: Except the one grant under (b) Regional Recreation Development, Grant Assistance, I'll give information on that.

MR. CHAIRMAN: 2.(a)(1)—pass; 2.(a)(2)—pass; 2.(b)(1) Regional Recreation Development: Salaries.

The Member for La Verendrye.

MR. R. BANMAN: Let's pass the Salaries.

MR. CHAIRMAN: Pass. 2.(b)(2) Other Expenditures - the Member for La Verendrye.

MR. R. BANMAN: I wonder if the Minister has a breakdown and could tell us - in this particular instance, I think, there are mostly grants involved - where the reduction will occur.

HON. L. DESJARDINS: If we can pass 2. then I'll cover that under Grant Assistance. Other Expenditures is just the administration costs and so on, under 2., there's no grants there.

MR. CHAIRMAN: 2.(b)(2)—pass; 2.(b)(3) Grant Assistance.

Mr. Minister.

HON. L. DESJARDINS: Mr. Chairman, these are the grants to help the recreational directors providing recreation of opportunities. There will be 54 rural municipalities; 24 incorporated rural towns; 25 incorporated rural villages; 25 rural school divisions and one Local Government District, for a total of 129.

The districts actually, in 1981-82, were 28 and we had an increase anticipating 32 districts last year. We're asking for the same amount of money \$304,000. We actually anticipated 32 but could only go with 29 and it looks like we'll reach the 32 this year. We feel that we can do it with \$304,000.00.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman. There were a fair number that were organized in the last

number of years and I gathered from the figures the Minister indicates, that last year not as many districts were formed as they anticipated.

One of the problems, I guess, that's raised every year with regard to this particular item is the concern by some of the recreation districts that they have been functioning for the last seven-eight years with the same amount of grant money and that the grant structure hasn't changed at all. The only reason that this appropriation has grown is that more municipalities as well as school divisions have banded together to form the districts. Is there any consideration by the government to increase the grant to the different recreation districts that have been formed?

HON. L. DESJARDINS: Mr. Chairman, I recognize the concern of the honourable member. We must remember though that when we initiated these programs it was a cost-share program, it was to assist. Mind you, that doesn't mean to represent the same share- maybe we should increase - but this year certainly was not the year that we could do that.

But I would like to point out that they are supporting money from the region, of course, and there has been some increase there. We must remember that there's cultural grants also going because this group of 29 staff, I think, or 25 - it's the same as last year anyway - they are delivering the services for both, as my honourable friend knows, for sports, culture, recreation and so on.

MR. CHAIRMAN: 2.(b)(3)—pass; 2.(c)(1) Recreation Resources Development: Salaries—pass; 2.(c)(2) Other Expenditures—pass; 2.(c)(3) Grant Assistance—pass; 2.(d)(1) Fitness Development: Salaries.

The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman. I believe the Minister would be disappointed and a lot of people would be disappointed if at this particular time I didn't make a few comments with regard to the total budget for Fitness, Recreation and Sport. I guess this is a good place to talk about it to a certain extent because fitness is one thing that many of us, who have been involved with this department and have been involved generally with the public, realize is an area that has a great potential to saving us a lot of dollars and the other department that the Minister is responsible for - and I'm talking about an area in which there's been a lot of studying done and a lot of work done - and that is preventative medicine.

We're talking about looking at health budget increases, I believe, in this particular year of some 17-18 percent and the increase to hospitals for different areas of health care in this province. What we're seeing with the exception of some salary increases we're really seeing a decrease in expenditure in this particular department and I can't let that go by without making a few comments.

One of the things that the Minister will appreciate and I know has expressed concern from time to time, is trying to find innovative ways of trying to keep people out of the hospital rather than having to provide expensive care for them once they do get ill. Of course, one way to do that is to encourage people to be fit, encourage people to be active.

Many people feel that there are different ways of approaching this, diet and other things, but I would suggest that it all fits together very well. Something that can be recreation to a person can also encourage him or her to be fit; something that is recreation can be sport. You can get all three combined at a time when they are either competing or doing something for their recreation purposes which do have the side benefit of, not only taking up leisure time and making people active that way, and probably providing them with a little healthier outlook on life, but also to provide them with the opportunity to become more fit and hopefully stay out of the hospitals that the Minister of Health is appropriating very large sums of money to.

I say to the Minister, in the total operating Budget, when you're looking at a department such as this, a few dollars spent here and there might be very wisely spent on this department in encouraging such things as fitness, more sports activities for individuals and, of course, recreation; and thereby, try and cut off some of the large expenditures that he is encountering in the other department that he is responsible for.

The people I think, generally, in Canada right now are realizing that diet has a lot to do with being fit. I do believe that more people are becoming involved in just some simple things as going for long walks and jogging, and participating in racquetball sports and that type of thing. There's been quite a growth over the last number of years, I even notice in my area. I think the other indication, of course, is the fact that consumption of red meats and some other things is dropping and you're seeing the younger people are more concerned about their diet and about their fitness than we have had in the past.

I say to the Minister, I realize that the dollars are tight, but when you're looking, on the one hand, spending close to a billion dollars on one department to take care of people that, for one reason or another, maybe in some instances haven't looked after themselves properly, maybe they're smoking too much or overdoing it in some other areas, this is one department that should, and I know is, actively involved in trying to keep people fit and trying to keep people healthy, both mentally and physically.

So I would say to the Minister that he will appreciate that I have to bring this to his attention because, to see a department like this really, sort of, not even treading water, really going back in a few of the areas, I would say that maybe next time he can look where maybe there are some programs in Health that should be looked at very carefully, and give him those few dollars here because \$100,000 to this department means an awful lot of money. I'm sure the Minister in the whole review of the Health Department could pick that up somewhere very easily and move it in here. I would hate to see that this would be a trend in the next couple of years because I think this is a department that should be a forerunner in trying to work in a preventative nature, as far as health is concerned. I would say to the Minister that everything should be done trying to continue to encourage people to be active in sports, in recreation, in their leisure time; try to be as fit as possible so that we can cut down on the other side of mental health, as well as physical health.

MR. DEPUTY CHAIRMAN, P. Fox: The Honourable Minister.

HON. L. DESJARDINS: Thank you, Mr. Chairman. I welcome these suggestions and comments of my honourable friend and I have no trouble with agreeing with him. There's the question, of course, that the whole department, as I've said we've tried to leave the programs without at least too much changing and certainly no reduction. We are also concerned, I have an ally in the Minister of Cultural Affairs, also. I think that in the past when there's been difficulties they seemed to point at these two departments and say, well, you get your money from the Lotteries and so on. I think we're resisting that, we feel that this is not quite fair. There are certain things that should not be reduced, we should not have to take that from the lottery funds.

I might say, also, that we are reviewing the whole question of lotteries as you know and there should be something fairly soon. I wouldn't want the members of this committee to be too surprised if we, maybe to help compensate for the funds that we're not receiving here, that we might recommend that both these departments - I mentioned the Department of Cultural Affairs and the Department of Fitness and Amateur Sport - should maybe get a larger share of the revenue to help with the programs.

I might say, also, that there is, of course, money to add, especially on the Fitness that will come from the Lotteries. We are going to have very much of a rapprochement between the Fitness part that we're dealing with now, the Fitness Branch, we want them to work very closely with the Department of Health. I'm talking about nutritionists and gerontologists and all these people, and that is being done and we're looking at the situation to see how we can improve that. I think that we are concerned, we are aware of the concern that my honourable friend mentioned. It isn't that bad. We certainly have picked it up and improving.

I think also that there has certainly been an awful lot of improvement with the public themselves, the public are aware; some of these programs are now I think paying dividends. I think there's an awful lot more done in even the private sector in this element of fitness and the public, in general. I think that a few years ago we can well remember that there certainly wasn't the situation of the many joggers and many people involved in the sports and all those games going on, and related things, of course, the smoking. I think that now we're told that there are about 60 percent of the people that are non-smokers. So those things I think are paying dividends and it's improvement, but we agree we'd have to be careful; it should not be considered that this is a nothing department. It would be so easy to say, hey, you've got to cut down because we're giving everything to Health. This is a thing that I can assure you we'll fight for what we feel is our fair share also.

MR. DEPUTY CHAIRMAN: (d)(1)—pass; (d)(2)—pass; (e)(1)—pass; (e)(2)—pass; (e)(3)—pass.

The Honourable Member for La Verendrye.

MR. R. BANMAN: A number of questions in this particular area. I wonder if the Minister could inform the House where the University Athletic Awards Program stands at the present time?

HON. L. DESJARDINS: Yes, Mr. Chairman, it's the same amount of \$100,000 that's been retained this year.

There's been no change; the university have to match the grants so it should make a total of \$200,000.00.

MR. R. BANMAN: Thank you, Mr. Chairman, I'm speaking from memory - the first year that the grant was awarded on a non-matching basis with the understanding, as the Minister has just indicated, that the university would be matching it. What have the results been so far, with regard to matching dollars that have been provided by the university?

HON. L. DESJARDINS: Mr. Chairman, the last meeting was held yesterday with that and the university have willingly accepted to make this commitment so that will just increase the funds and cover more for the students.

MR. R. BANMAN: So the Minister is saying there should be some \$200,000 available for this program for university athletes.

HON. L. DESJARDINS: Yes.

MR. R. BANMAN: Another question, I wonder if the Minister could inform the House as to what has been done with regard to the Hydro Grant Program. In other words, we were giving grants to recreation facilities who were on demand billing if the demand billing was in excess of what a regular power rate was, we were paying the community club or the community centre or the curling rink the difference. I understand that the Minister does not have that program this year. What is he doing in place of that and what affect has this had on some of the facilities that were receiving grants from that program?

HON. L. DESJARDINS: Mr. Chairman, this is not a recurring grant. This is an education with the public; there have been seminars conducted with Hydro and our department. I think that it has been very successful and we're making grants to help them after it's been determined what they can do to help the situation to save the fuel, because I think in the past it was an encouraging program because some people, I think, were encouraged to waste more fuel, so this is what we're changing and there is a grant of up to \$3,000 per community.

Yes, Mr. Chairman, we have actual, that \$149,000, and that will assist public recreation facilities that are adversely affected by demand billing address their energy consumption and to educate operators of facilities as to ways to decrease their energy costs on demand billing. This program will include individual assessment of each facility adversely affected by demand billing to determine the prime need for renovation that would make the facility more energy efficient. Regional workshops, as I said, for facility managers to learn how to reduce costs associated with demand billing and offering them a grant program to facilities on a 50-50 cost-shared basis to a maximum of \$3,000 and the Grants, there's \$120,000 for grants and nine workshops. The balance is for assessment of facilities and workshops to a total of \$149,000.00.

MR. R. BANMAN: So the program with regard to helping out centres that are adversely affected by

demand billing, that particular program will still be in place and people who are adversely affected will receive up to \$3,000, the Minister said?

HON. L. DESJARDINS: Actually the \$3,000 is not just a grant to help them pay the bills. The seminar and the meetings with Hydro - Hydro is participating with the department and we have a pretty efficient staff also. The maximum of \$3,000 on a cost-share basis is to help them remedy the problems that they have. It might be fix the windows or doors and that kind of stuff. We try to educate them also and help them do something to save, to make them more saving conscious.

MR. R. BANMAN: The \$3,000 matching grant, is that available to any community facility that wishes to reduce energy costs, or is it tied into those people who were adversely affected by demand billing?

HON. L. DESJARDINS: Just those that are adversely affected. I'm sure that we wouldn't refuse any advice with the staff - Mr. McGregor that we have and my honourable friend knows quite well how efficient he is. I'm sure that we would be only to pleased to have Mr. McGregor discuss problems with any individual if at all possible. The actual grants are for those that were adversely affected.

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

MR. W. McKENZIE: Thank you, Mr. Chairman, I have a couple of questions to raise to the Minister. I received a phone call yesterday from a constituent, a Mrs. Joyce Smycniuk from Rosburn. I did dispatch a letter to the Minister. There's a volleyball group in Rosburn that are proposing a European tour in December. I've never had one of these requests to me before. I think there are 15 athletes and a couple of coaches and four chaperones, I think, are planning the tour. What guidelines do they have to follow? Do they go with the blessings of your department to take some emblems or things over there to Europe, or do they go through the Federal Government or how do they proceed from here on? They are raising funds locally, she mentioned, they raised \$2,000 very quickly on the weekend and they were proposing to raise some \$6,000 through some kind of a lottery. I would just like to get some information that I can pass back to them; I could maybe send the Hansard to Mrs. Smycniuk. I also wrote a letter to the Minister of Education maybe for guidance.

Maybe the Minister could fill me in so I could advise them accordingly as how they should proceed.

MR. CHAIRMAN, P. EYLER: The Honourable Minister.

HON. L. DESJARDINS: Mr. Chairman, this is a problem that all Ministers responsible for Recreation and Sport have had to face. It is impossible to accept responsibility for individual clubs. We realize that only in hockey there are probably hundreds and hundreds of teams of different ages, and you have the same thing in soccer and - name the sport - there are hundreds of them. We deal mostly with the association, in other words,

we would deal with the Hockey Association for such. Now they might, if they hold championship, if it's a team, for instance, qualify for a championship they would help with transportation, they will help with the coaching and, of course, there's the Sports Administration Centre that works all through the province to assist the people in different sports. But as far as an individual team, that arrange a trip, unfortunately, we couldn't begin to fund these teams. It is something that has been left for some years to raise the funds themselves. The honourable member mentioned the question of lotteries. Some of them have had a lottery, maybe a large lottery or small lottery, and sold tickets and so on; that has been done. It depends what club, a larger club or a club that might have teams in different brackets and different sports and so on might put in an application for a casino and so on.

I am just saying what happened so far. I wouldn't worry too much about the Lotteries because the funds from the lotteries there will be a policy, we expect the Jewers' Report any time now and then they'll be some recommendation. There might be some change to try and make it more universal or spread amongst more people in Manitoba. They would certainly go with our blessing anything that we can do to help them. But then let's remember, also, that there are special funds for the elite athletes, that covers some of them. We've always felt that if a team is representing out of the province, we're more worried inside of the province that's why we want Manitoba games and regional games and all that to help the participation, those that would not have the chance, but when they go out of the province, especially when they leave the country, they are Canadians - they're still Manitobans, we're very proud of them - they represent the country and we feel that it's more the Federal Government. The Federal Government also has quite a few different grants.

If it's just a team like - I have had a grandson that's been going nearly every year, all hockey teams seem to be good at raising money, it's always the parents and the grandparents mind you that are touched every time. They make quite a few trips like that outside the country and outside the province. Those are the means, but it is not a responsibility that we can accept at this department.

MR. W. McKENZIE: I thank the Honourable Minister. Then they would also then be well advised to work with possibly the Honourable Lloyd Axworthy at the federal level.

HON. L. DESJARDINS: Excuse me. Axworthy, as the Manitoban, but actually Senator Perrault is the new Minister responsible for sports.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Mr. Chairman, since many of the programs and grants that are involved do come from lotteries there is sometimes an overlap, but I would like to discuss this one under Sport Development; I guess it could have been discussed under Recreation Development also. One of the programs which, over the years, has been very successful is the Capital

Facilities Grant Program, and the Minister last year announced a two-year program which I believe will end sometime this year, if my memory serves me right.

I wonder if the Minister could inform the Legislature whether or not he is doing any work right now with regard to, either beefing up that program when this one expires, or can the municipalities and the different curling rinks and recreation facilities expect that this particular program will not be available to them after the two years expire.

HON. L. DESJARDINS: Mr. Chairman, this is a program that I think we share the enthusiasm and the interest with the member. This is a program we want to keep. We have had to cut down. For one thing, the Lotteries, there was some reduction in Lotteries revenue for that part of it going through the Manitoba distributor part, and the partnership, and that's where we get the funds from, a percentage of that. There has been a reduction of that because of the competition of the Nevada and so on. My honourable friend might remember that later this year, I think it's practically just finished now, there's been the Tic-Tac-Toe, and therefore, we probably will have some money later. We don't know exactly what we'll be getting in the future. That is something that we'll look at. I would like, also, to inform the committee that this is our last year's payment and that has been increased by a \$250,000, also. The Winnipeg Arena, there is \$750,000 that will be paid; that's the last payment, also, so that will release more funds. That actually should be part of the Capital Program because that's what it is and it was for the city, mostly for the rural area.

We certainly don't intend to let it die but so far what I announced of the total amount, a million dollars, a reduction that is; we only have that amount. But over the past years there hasn't been any refusal, I think we've pretty well caught up with most of them, those that were ready anyway, so there is not a big backlog or a waiting list, apparently.

MR. R. BANMAN: I wonder if the Minister could tell us, throughout the department, whether the signing of the Northlands Agreement, whether or not some of the programs are continued to be funded by the federal cost-sharing program.

HON. L. DESJARDINS: It is not eligible through the Federal Government but the department, itself, approached Cabinet and we didn't lose anything. We were afraid that we would have to stop programs and staff up North and that hasn't been done.

I would like to say, also, that so far there has been over \$12 million spent on this Capital Program on the Facility Grants. That's from the start of the program years ago.

MR. R. BANMAN: I wonder, is the Minister saying, with regard to the Northlands program that this was not included; in other words, the programs that were included on the previous Northlands Agreement, when the new Northlands Agreement was signed the Federal Government did not allow these programs to become part of it, or were there changes made. Do I understand the Minister correctly that he went to Cabinet to try

and retain the funds. but that they were not included in the new Northlands Agreement.

HON. L. DESJARDINS: That's right, Mr. Chairman. We were informed that we no longer qualified as such, although the spending had been the same; we've had it made up by the Provincial Government.

MR. R. BANMAN: Just to the Minister now, procedurally we want to deal with Lotteries and he mentioned he wanted to have some staff here, if we pass this particular item we're back to his Ministerial Salary. I guess we could, by leave, say that he could have his staff there at that time to discuss Lotteries, but I'd be ready to move on to Lotteries.

HON. L. DESJARDINS: Okay, if I can make a suggestion then, for all intents and purposes, we've passed (e), but that you don't call anything else and now we can deal with, first of all, the program money under Lotteries and then lotteries in general.

Maybe I should start by giving you some information; it might make it easier. Under Fitness, Recreation and Sport - this is both for programs and grants - Fitness and Recreation is \$467.4 thousand and the Sports Development is 1,524,400; the Capital facilities is \$1 million, as I said, and the Arena, 750, as I said; that's the last payment. That is to add on what we've already covered; that's strictly Lotteries funds.

MR. R. BANMAN: Does the Minister anticipate with the last payment to the Winnipeg Arena that that will free up some more money that he can use for the Capital Program? I understand the answer's in the affirmative on that. My other questions, I guess, really deal with a more technical nature, dealing directly with lotteries, with the operation of the lotteries and I'll leave them until that time.

MR. CHAIRMAN: 2.(e)(3)—pass.

Resolution No. 81: Resolve that there be granted to Her Majesty a sum not exceeding \$2,527,400 for Fitness, Recreation and Sport for the fiscal year ending the 31st day of March, 1984—pass.

Is the Member for La Verendrye finished with his comments on Lotteries?

The Member for La Verendrye.

MR. R. BANMAN: In dealing with Lotteries now, Mr. Chairman, and I wonder if the Minister, first of all, would tell the committee when he expects to have Judge Jewers' Report.

HON. L. DESJARDINS: It's practically a shame to stand up and try to give you a date because I thought, first of all, that I was going to have that last summer and then I was practically assured that it would be before the end of the year - I'm talking about '82 - and then it was going to be in January and I'm still waiting, but I can tell you this though.

I can tell the members of the committee this, that with the discussion that I've had, and staff, we have enough to at least not to be delayed too much. We are working on the policies now because we have an idea of some of the things that we wanted. If you

remember, the main thing, the other things will help in the policies and that, but if you remember, the main thing was to find a way to maximize the profits that would go for programs and for the non-profit organizations and so on, and that is being done. In fact, I've had meetings with staff to prepare documents and papers and position papers and discussion papers that will go to Cabinet and caucus. In fact, tomorrow afternoon I'm spending all afternoon working only on that, so the last that I was given is that it's finished and they're just preparing the end of the report, the printing and so on, or the typing or whatever it is, and we should have it pretty soon, but nevertheless I want to say that very shortly the new policies, if there are going to be any changes, will be announced publicly.

MR. R. BANMAN: I want two further questions. I wonder if the Minister could inform the committee whether or not there has been any more licencing of any commercial bingo halls; and the other question that I would have is there have been some rumours that there have been some suggestions made to the Minister, or certain individuals have suggested that the operation of casinos, in other words, the actual operation of it be taken over by the government, and I'd like to know what the Minister's thoughts are with regard to that particular suggestion.

HON. L. DESJARDINS: There has not been, as members of the committee probably know, what we try to do is protect the status quo and not change anything providing they follow the laws and the regulations. I'm talking about the commercial bingo halls now. My honourable friend remembers that there was only one that was opening and it was a kind of a conditional thing, a trial period, and it was not the intention to open the second one, but if you remember, the court case, apparently the Act did not give us enough; we couldn't just refuse the operating and therefore we had no recourse but that place was opened, but the advice has been out, "Well, don't spend all your money on that and don't be too convinced that is going to stay forever, because the policy will be set on that."

As far as taking over the casino, there is no doubt that we intend to bring in better control, better policing and so on. As far as the government running it as such, it wouldn't be the government. I don't know exactly; I haven't got the answer to this. There'll have to be options presented to Cabinet; it will have to be discussed in caucus also before anything is done, but it certainly would not be government as such. That's why we created the Foundation. It could be the Foundation, but the Foundation will certainly have the responsibility, the policing and everything, but it could be that they could hire somebody on contract or something. More than likely - and as I say, nothing has been approved or even discussed in Cabinet at this stage - the Foundation will be responsible. It won't be left to any individual group to run their own.

MR. R. BANMAN: I guess the next question then, Mr. Chairman, to the Minister is with regard to the current people that are operating. Is the Minister happy with the way the current - I believe there are two people

that are mainly doing business as far as casino operators. Is he happy with their performance or is he thinking of changing that particular structure?

HON. L. DESJARDINS: I guess the No. 1 rule would be as much as possible, including the people that are running it, to look at the situation and if at all possible involve these people. There are a lot of part-time people, workers and all that. We want to disturb and disrupt as little as possible.

I want to make it quite clear, I think there are a lot of improvements could be made, not necessarily to the people themselves, it might be that legislation and certain things have to be tightened up. I think I have no indication that they were not going along with the regulation or that anything was dishonest. I want to make that clear. There's nothing like that at all. But there's certainly some improvement, not necessarily improvement just because of these people themselves, but because of the regulation, or lack of regulation, or co-operation, or whatever and this will be looked at. But we certainly will keep an open mind.

It could be that we might ask for a bid, for instance, to say here you're going to be in charge of the casino, on contract, or it could be somebody hired by the foundation, I don't know as yet. But those that have been running bingo would certainly be looked at and they'll have the first consideration.

MR. R. BANMAN: I wonder if the Minister could provide us - not today I realize that time just wouldn't allow that - with a breakdown of the Western Canada Lottery ticket sales, the Provincial Lottery ticket sales and Loto Canada. As I mentioned I don't particularly need that now. If he could take this as notice and then provide it to me later. I'd appreciate if you could give me the year before and then the year that's most current, so we could have an overview to see what's happening to the ticket sales as well as to the profits, on both, to the province.

Two further questions: No. 1. How much money are we paying to the Federal Government now for the right to run Loto Canada? No. 2. What correspondence and dialogue has the Minister had with regard to the Federal Government possibly entering the gaming field again? One of the primary reasons for the payment of this money to the feds was to provide them with some compensation for getting out of the lottery field. There have been some rumblings in the last little while that the former Federal Minister, I guess, Mr. Regan, wanted to get back into the business. Is the Government of Canada still making overtures to getting into the lotteries field and what effect would that have on this payment that we're making with regard to the Loto Canada?

HON. L. DESJARDINS: Mr. Chairman, we'd like to give the undertaking to give all the information as far as the different games, different products of the Western Canada Lottery Foundation for the last two or three years. I'll have all that for him. Unfortunately I haven't it here and the Executive Director of the Foundation is not here either, but I'll make sure that I give my honourable friend the information.

As far as the Federal Government is concerned, yes, they're playing games. If you remember there was an

agreement made. The Federal Government are the ones that started it when the Liberals formed the government. The Conservatives were there for a short time. There was an agreement made at that time and I think the agreement was for \$32 million, but that was paid by all the provinces, not just Manitoba of course.

The Federal Government, as soon as they came back, have been doing everything possible to get that fund back. We feel that it is not their money. It's okay to say to anybody, we're not going to give you anything for the Olympics, but then if they come in and they tax, they come and get it in the province, what normally should be ours. So all of us are resisting, as you know.

There has been a foundation of all the provinces together who run the provincial. We've had meetings. We've tried to find out what the Federal Government wanted to do. If you remember, Quebec called their bluff and had a lottery to beat them to it. They tried to bring them to court but they couldn't get anywhere. I've heard rumours that the Federal Government saw that Quebec's Lottery - that special lottery was supposed to be the sports social; Loto wasn't too successful.

It was felt that the Federal Government would not, readily or too freely, come in as they could lose quite a bit instead of making any money because we certainly would be in competition. We left the door open to look at it again to see if they had any proposals; if they want to look at what we were doing; in fact even consider maybe paying a little share with an understanding this time though that we would have something in writing because they can put a gun at our head every year, the way it's going. That's a possibility. Nothing happened with that. I understand that they're still intending to pass the bill for Third Reading and that's all I know.

I suspect that maybe they want to pass the bill and try to use that as a club to see if there is going to be some type of blackmail because I don't think that they're ready to compete with us. If you remember, we started the six that was before the change of government; the six that was being talked about, the 649. We have the machines in place as most of the provinces now and it would be much more difficult for the Federal Government to compete with us. So we're getting ready for a battle if they want one, but we haven't closed the door completely. If they want to be reasonable at least we'll talk to them.

There's a meeting of the interprovincial group in Toronto, I think, next week. Mr. Garth Manness is going to be represent the province.

MR. R. BANMAN: The Minister mentioned 649. I'm interested to know how that game is doing. I wonder if at the same time when he's getting us the information on the Western and the Provincial and Loto Canada, if he can tell us what is happening at 649? What kind of numbers we're looking at as far as retail sales in the province, and also what the profit picture is.

I understand from several questions that I asked the Minister about a month ago, I think what they're doing is showing very little profit right now because they're paying off the equipment very quickly, which means of course that there will be larger profits once the equipment is paid for.

When does the Minister think the equipment is going to be paid for and what is he anticipating from the first

sort of preliminary results that we've had with 649, what the profits will be to the province on that game?

HON. L. DESJARDINS: As far as the numbers and information of how we're doing financially, I would sooner not guess. That will be part of the information that I will give. That of course will be considered as the product of the Western Canada Lottery Foundation, and I'll give all this information, the latest that I have.

Now the equipment is not being paid that fast. I think that there's been an understanding with the provinces. Some of them don't want to pay it that fast, but what we're doing is, we have not allocated any of these funds at all, either to government, nor to any groups. What we've done is, that is placed in a special account until we have arrive with a policy.

We had suggested that maybe we should pay the equipment sooner but that is not being done, so it can be the same thing. We can invest the fund and we wouldn't lose anything. We would get whatever we pay in interest anyway, but that will be determined. It's a policy that hasn't been determined yet. At one time, the partners felt that this money should go to them. It was never intended that they would have all the lotteries, that they should have a revenue from all the lotteries until a policy is determined. As I say, that is placed in a special account and interest is accrued. The situation is to try to make up with some of the loss that came in for the sale of Nevada and all that for the reduction in sales. That is where we agreed to have the Tic-Tac-Toe this year and that's been successful. All the tickets were sold and I think that they should pick up. My understanding is that they should pick up from at least what they had last year. If you remember, there was a fear there that it would be a quite a reduction this year. I haven't the last figure, but the last that I heard that it would be pretty close.

MR. R. BANMAN: When the Minister is providing the other information, maybe he could do a bit of a breakdown on the 649 so that we know what the projected profits are and also how much is going for prizes and what is going to the retailer, to the wholesaler, and what the provincial profit will be on those. In other words, a split of what's happening to every dollar that's spent on 649.

The Minister led into another area which I want to talk about and one which has concerned me and, probably, I think has concerned him not only when he was Minister but as Minister now again. That is the problem that we face; we face changing games and we face a changing scene with regard to lotteries and, unfortunately, much like the problems the Federal Government is having with the satellite dishes. The horses in many instances are out of the barn before we can even know that there were any doors on the barn, and I think that what is happening here is that we react to things that are happening rather than trying to set up guidelines and rules and regulations before it happens. That seems to be the nature of the beast with regard to lotteries.

I'd just like to make a few general comments and put my feelings on the record and the Minister then, at least, knows how this side of the House feels with regard to some of this. One of the dangers in dealing

with lotteries is to give any particular group an exclusive right to market any particular ticket, and I think the Minister appreciates that when this happens and, fortunately, in Manitoba we have tried to stay away from that through the years; that when we do give one group an exclusive right, what happens is that the group then either reaps the benefits of that particular thing or will then, if the ticket sales don't go the way they thought they would, become, of course, the poor cousin to somebody else that happens to pick up a game or something like the Tic-Tac-Toe which has a tremendous profit potential.

The instant win games, I know the Minister will realize that those are the ones, I guess, where there are just large large amounts of money to be made and are really, I would say in many instances as for my way of thinking, sort of the most offensive because there is that mentality that when somebody wins \$10, instead of putting the \$10 in their pocket and walking away, you give them another 10 tickets. We see this happening with Nevada. You go in anywhere and at the end of an evening, you see Nevada tickets strewn everywhere and, really, you talk to a lot of the small service clubs that are running the bingos now, really the bingo is a break-even proposition right now and the only place they're making the money is on the Nevadas. It's a kind of a strange chain of events, but we all see people sitting there feverishly tearing open tickets and when they do win something, it goes right back into tickets. That, of course, is something that I don't particularly think is desirable because people get caught up in the heat of the moment, rather than just buying a ticket and then watching the papers or listening to the news to see if their number wins. If they win, of course, they go down and collect their money and, of course, to my knowledge, the Lotteries people don't say, here, take \$1 million worth of lottery tickets instead of your \$1 million or whatever amount you've won. To that extent, I would say personally the instant win has that down side to it.

I come back to the thing that I started off saying; is I would encourage the Minister not to give any particular group the exclusive rights to any lotteries. We've seen what happens with such things as the Western dropping off when a new game comes in, and I think that if you are going to give any particular group that control, you're asking for problems because what you give one group on the one side you're probably taking away from the other. So I would encourage the Minister to continue the tight government control, I guess, in the issuing of any licences that do go out. Better to give somebody a grant and have the government controlling it that way than giving somebody the authority to run a certain game and then find out later that what started off as maybe making \$100,000 for them ends up making \$3 million - \$4 million and then, of course, you have a terrible time, as the Minister knows, of trying to go back and saying, hey, we never intended for you guys to make that much because now the other guys are making less and now we're going to have to cut you down a little bit. I guess what I'm telling the Minister, and maybe I shouldn't give him the benefit of my suggestion to this, because now he can say the opposition agrees with me or whatever, but I would suggest to him that he continue that policy; maybe selfishly, because maybe in three years I'll be back

where he's sitting and he might be on this side, and I don't want to have to clean up that problem. So I'm going to tell him to continue the way he has and make sure that that happens.

I would also caution him with regard to the sale of Nevada tickets in hotels. I know we tried that for a while on an experimental basis and I know that's continued. Here's a situation again which is sort of leading into that. We've given two groups, I guess, basically involved with it, the right to sell Nevada tickets in hotels, and I would just caution the Minister. I think they've made more money on that than they ever dreamed they would make with regard to that, and I say to the Minister; I would be all for reviewing that policy to see exactly what direction that particular thing is taking.

The other thing is that many people, because of the number of lottery tickets sold, feel that there is so much money being made by the government on lotteries that they should be funding everything and anything with that money.

I would also caution the Minister of Fitness and the Minister of Culture that there is, in the total sphere of government spending, the lotteries money is a very very small portion of that and if we allow too many people, and I guess we're getting back to the debate we had last year with regard to the bill, if we allow too many things such as the medical research to get involved with lotteries funds, that is such a big field, that sport would virtually freeze out culture because that is almost a bottomless pit. I think that we will have to be careful that we don't start getting all kinds of other things involved in that particular field.

The other thing, of course, that happens is that as more demand is placed on this money, there will be more pressure on the government to run more tickets, to run more games, to allow more casinos, and I say to the Minister to try and avoid that. A simple approach that we've always used up until now has been the fact that basically the money is used for recreation, for sport, for the upgrading of recreation facilities and for culture. I would encourage the Minister not to deviate too much from those principles because if we do, the things that I mentioned will happen. I think there will be a real pressure on the Minister to get more games going, to licence more casinos.

I say also to the Minister, I would indicate to him that I, for one, would like to see that the number of casinos in the province is held at the level that it is currently. We create another problem by allowing too many casinos; we make people dependent on those and I think one of the reasons that I tried to hold them down to 12 or 13 was the fact, that way we could rotate them among the different clubs that are asking for money and then hopefully that they use that money for a special project or some special fund that they want to establish, rather than trying to use the casino money covering part of their yearly operating costs, because all we do is then increase their appetite and then next year, maybe not award them the casino. So I say to the Minister, on both accounts, it would be my feeling to try and limit the number of casinos, try and keep them at the level we're at, rotate them among the different groups; I think that's been the best policy and also to make sure that government does exercise its right and responsibility in the awarding of grants rather than awarding the rights to lottery ticket sales.

A further question and the Minister can maybe just comment on this - I'd like to ask him how the four partners in WL&B are doing; in other words, how that is working, whether he plans to make any changes to that and how the Sports Federation is working with regard to the Sports Admin. Centre and the different sports-governing bodies that it is housing in the Sports Admin. Centre now.

HON. L. DESJARDINS: Mr. Chairman, I'm going to send some information, a breakdown of different years, for break-opens, bingos, casinos, raffles, wheels of fortune, Calcutta auctions. The Western Canada Lottery Foundation products are not broken down, but if my honourable friend looks at the Annual Report of the Manitoba Lotteries and Gaming Control, 1981-82, there's a breakdown there for the Express, but the last year is 1982, of course. I can give him that; it's not that long. There were 52 draws in 1981 and 53 in 1982, I guess, and it was 15,237,766 in 1981 and 14,748,956, that's the Western Express and the Provincial, 7,743,315 in 1982 and 7,883,700 in 1981. The Super Loto, 12 draws, \$9,449,380 in 1982 and \$6,546,380 in 1981 and Tic Tac Toe was '82, and that was only in '82, none in 1981, was \$2,983,100, for a total, in 1982, of \$34.9 million and in 1981, \$29.6 million and then I'll send this information; that will give him the other thing. Now the 649, I'll have to get that . . . I'll send another copy. If there's anything missing, I'll be glad to give it to my honourable friend.

All the concerns that my honourable friend mentioned, I share the same concerns. I think I detected an invitation of saying that I would get all the assistance in the world providing I clean it up, that he wouldn't have to do it later on. I'll accept this offer and this challenge because I can tell you that it'll be a very, very difficult thing. We'll have to look at the situation. My honourable friend is absolutely right; those that have had the lion's share will not want to let go at all and there is no way that we can keep giving the same amount of money to two or three of them and try to be fair with the rest of the province, so there are many of those that haven't been able to share before, will probably be happier, but those that have been getting the lion's share will not like it very much so I think that we would love to have the full co-operation - I'm not suggesting there shouldn't be any criticism, I hope that there will be criticism, but constructive criticism and we'll listen to their ideas, but I hope that it will not become just a partisan thing with the different sports bodies and cultural groups and all the community projects that are there because it will be quite difficult and I hope it will be done in a way - whatever policy we have - it will not be for a partisan purpose, that something will happen and then there's a change of government and everything is reversed; I hope that we can put it on the same as the way we set up the Western Canada Lottery Foundation part of it and the partnership there and everything can work well.

Now, as far as the partners in the Western Canada Lottery Foundation, I could not announce anything. There is no intention of changing anything. If there's a policy, that's something else, although we are looking exactly at the same concern that my honourable friend said that you don't give an exclusive to everybody. I

am not saying there are not going to be any changes at all, it's not going to go on. For instance, one of the partners - and I don't think I have to name them - it's practically an embarrassment, the amount of money they've been getting and maybe the others would have more, unless there is more responsibility, and they don't all have the same responsibility to have the same share. So that certainly will be looked at but of course we'll have to be able to, out of the funds that we have, give a fair share with people that accept responsibility.

For instance, the Administration Centre has to be run and it takes quite a bit of money and that has to be considered. I am not saying that we will just pay their bills. They will have to budget and at times they will have to do certainly the same as any government department. They might have to cut down. I'm not saying that they have to, but I said this a possibility that they'll have to face the same as any department of the government. But that will be an announcement, the policy also, I wouldn't dare say anything because the Cabinet will decide on the final policy that we have. The intention is to have the proper control in policing, to have accountability, to maximize the profit to the clubs, the sports and so on, the non-profit organizations, for instance, and certainly to make it as fair as possible and spread the wealth a little bit.

I am told that I have more information. I am told that the 649 Trust Fund will be approximately \$900,000, so that's not bad. This has not been transferred from Western Canada Lottery Foundation yet, but will be when reconciliation is complete for the year end. That will be the amount that we'll have.

MR. R. BANMAN: In the Judge Jewers' report, is the Minister anticipating Judge Jewers to spend a fair amount on their other report on the break-opens?

HON. L. DESJARDINS: Yes, the main reason was to see where the funds were going. I think there was over \$100 million one year, then it jumped to close to \$150 million. It is quite high so that was the main *raison d'être* of why we have this and, of course, they've had to look where the money was going, how it was spent. I am talking about the promoters, the middleman and all those things to see how we can maximize that. Now, there were not too many restrictions, if any. We have given them a lot of leeway and they will certainly discuss the question of break-opens. We'll have some advice and so on; Judge Jewers is free to give us advice on anything on the break-opens.

I might say that one of the big concerns, of course, the main problem is that we have all these people that want this money and they feel that it is there. You know, as honourable friends said, no matter how small their project was when they get the money, they don't want to let go and it's the greatest thing in the world and don't you dare take it away from them. So that will be the concern. The concern is how do we spread this money in a fair way and then where do we keep the proliferation of lotteries? I think that's one of the things that the member mentioned. Do we keep this proliferation of lotteries? When I say lotteries, I mean all these games and do we have Nevada the way it's going now? I share the same concern. Nevada, if you win the \$50, you might put it in your pocket. But any

other prize, who is going to put a dollar in his pocket when he's spending a dollar? He's going to buy another ticket and eventually he might have a lot of fun, maybe he'll be there for half an hour. He'll end up that he will not make any profit unless maybe he's got the first prize of \$50.00. I can't see anybody keeping a dollar or \$5, so I have a concern with that game. But on the other hand it's probably the best money-maker that we have and you know how these sports groups and all these groups will yell if we ever for one minute felt that we should take that away.

So there are going to be some tough decisions and I certainly would hope that the members of the opposition will co-operate and participate in the policies.

MR. R. BANMAN: Just coming back to the break-opens the Minister has been talking about, I notice in the information that he's provided we've jumped from \$2 million worth of break-open Nevada sales in 1977; now, in 1981, we'll probably have an updated figure on that, but we're over \$50 million. That means a jump in five years from \$2 million to \$50 million area and I say to the Minister that particular area is one that really concerns me and I hope that Judge Jewers does make some recommendations with regard to that. We don't let this totally get out of control because that represents \$50, that's a 1981 figure, for every man, woman and child in this province. That's starting to be a pretty big game already.

I know it's not only a problem here. On the weekend I was down to the States, and North Dakota has just started to sell break-opens. You walk around there and you wade knee-deep in walking through just one of the places at the Holiday Inn. I was wading knee-deep through tear-opens because they've got all different kinds there, so it's not a problem that's just isolated to Manitoba. But I say to the Minister that anything that sustains that kind of a growth rate is something that should be watched and watched very carefully.

HON. L. DESJARDINS: There is no doubt that the big concern is break-opens. Like my honourable friend says, it's increased an awful lot in '82. The last year that we have in front of us is '81, and if we judge by the bingos, with these commercial bingos and so on, but this is a thing that we have no control over. We didn't give any other licence last year; we had no control. A court orders us that there was nothing we could do. We had all these people opening; there was nothing we could do without the change in legislation. That's one of the things that we want to do is control it more because that is exactly true that the bingo just creates the forum to get the people there and then the money is the bingo. That's where the commercial people rely on because all this money is being made by selling these tickets. They're sold now in senior citizens' homes, in personal care homes, they're sold all over the place, all the Legions have them. Of course, at the hotels for the St. Boniface Research Foundation there are millions of dollars that have been raised there, so whenever we reveal our policy all those things will be explained. I can't say too much now, but I certainly welcome the suggestion and the concern and I can say that I share all the certainly the concern and others that have been mentioned here today.

MR. R. BANMAN: Thank you, I notice that the province will receive a substantial increase in fees this year, I guess primarily one of the reasons is the large increase in the break-open sales as far as licencing fees are concerned, some \$1.5 million to \$1.7 million. I wonder if the Minister since there is no place in the Estimates that we can discuss the budget of the operation of the Commission, could he give us just a figure of what the anticipated budget is for the running of the Lottery Foundation?

HON. L. DESJARDINS: That is being developed now. The only thing - I know it's going to be an awful lot more than it was, it would be the cost of the Commission that never came here, that part of it and the licencing board, of course, was under the department, it'll be there. There'll be an increase, but I would only be guessing. That will be part of the presentation to Cabinet. In other words, depending on what is done that will change the budget an awful lot, but what will we do? All in all I think that we'll accomplish some saving. I don't say that the total budget will be less, because there'll be tighter regulations, there'll be tighter investigation and policing and so and so forth, but we are co-ordinating some of the things that are being done now, there won't be any duplication. So in effect, I don't know exactly what it is, but it would only be a guess what we would do.

Then, will there be any of that part - we're talking about the budget now - will the payment be made from the foundation to the government or the department involved? That is another thing that will have to be looked at and that could modify the budget quite a bit. Of course, when we announce the policy, I'm sure we wouldn't object to having some kind of an idea of a proposed budget. The group has had only one or two meetings and they're working on that now. Depending on the chart also what kind of staff they're going to have, that will have to be approved.

MR. R. BANMAN: Before we pass this I'd just like to say that I would appreciate it if somewhere in the Estimate process, maybe I don't know if we can put a line in the Estimates, but somewhere where we would know what the operating budget of the new Commission will be. If that's done by just an annual report that's tabled at the same time when we deal with the Estimates, fine, but I would appreciate that. I'd just suggest that to the Minister.

HON. L. DESJARDINS: It's a Crown corporation and definitely we'll have to file an annual report.

MR. CHAIRMAN: There was no specific item for that discussion. The next item is 1.(a) Minister's Salary—Pass.

Resolution No. 80: Resolved that there be granted to Her Majesty a sum not exceeding \$515,900 for Fitness, Recreation and Sport General Administration for the fiscal year ending March 31, 1984—Pass.

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

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. The time being 4:30, Private Members' Hour, the first item on the agenda is the adjourned debate on second reading 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.

MR. P. FOX: Stand, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Member for Brandon West, Bill No. 56 standing in the name of the Honourable Member for Springfield.

MR. A. ANSTETT: Stand.

SECOND READING - PRIVATE BILLS

**BILL NO. 59 - AN ACT TO GRANT
ADDITIONAL
POWERS TO VICTORIA CURLING CLUB
LIMITED**

MR. D. SCOTT presented Bill No. 59, An Act to Grant Additional Powers to Victoria Curling Club Limited; Loi accordant des pouvoirs additionnels au Victoria Curling Club Limited, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Mr. Speaker. Bill 59 is similar to a resolution that was brought into the House by myself last year for the Fort Garry Curling Club. I believe members opposite are fairly familiar with the process in running through bills such as this. It is a bill which enables the curling club to keep track of and keep up-to-date a quorum of their members so that they can be facilitated in having their annual shareholder meetings.

Some of the legislation that the Acts initially were brought in - and I might add this curling club started out as a Canadian Pacific Curling Club back in, May 1, 1929 and the name was changed to the Victoria Curling Club on March 30, 1967.

The problem that the curling club was having, as others have had as well that have been brought him into the House. I believe, the Member for La Verendrye has also brought one in dealing with the Steinbach Curling Club - a similar bill and his has a few additional clauses in it, additional powers for the Steinbach Curling Club. What this tries to do in this one dealing with the Victoria is to enable the company basically to redraw its current capital shareholders as to who they are, to define who they are, because a lot of people, over time have passed away or have moved away. They send out notices and they're not responded to. This bill gives the power to the Victoria Curling Club to be able to charge an assessment fee on top of the shares themselves; it'll be a modest amount. When that assessment is paid that means the share is consolidated once again into the firm as part of the voting shareholders of the company.

For people who do not respond and do not wish to recognize the shares, their shares will lapse. For people whose shares have lapsed they have one year, Mr. Speaker, after — (Interjection) — one year after the sending out of the letter to respond or after their shares have been cancelled actually, they have one year to respond and say that they wish for the shares not to be cancelled and to pay the additional assessment that is charged onto the share, and they can be fully reinstated as full time and regular shareholders.

It's a bill, Mr. Speaker, that does not give onerous powers on the corporations, on the curling clubs; it is something trying to let the companies maintain their records up to date; to maintain their shareholders; to be able to re-issue new shares where their present limit has already been distributed and sold, so they can in fact in a way recapitalize in some instances, but more importantly, that they can hold meetings and have notified a sufficient number of people to be able to draw out to their meetings a quorum. Naturally without a quorum a company cannot exist under their bylaws, the bylaws as are approved both by the corporation under the Act as provided by the provincial Legislature.

So, Mr. Speaker, without going into the bill in any more depth I think that suffices. Members opposite are fully familiar with the nature of the bill and the nature of the request. I believe this is the fifth one now to have been handled in this manner over the past four or five years. It's my pleasure to recommend this bill to the Legislature. May I thank the members of the Victoria Curling Club for referring this bill to me to be able to be able to bring it forward to the Legislature. Thank you.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I move, seconded by the Member for Tuxedo, that debate be adjourned.

MOTION presented and carried.

**BILL NO. 81 - THE WINNIPEG BIBLE
COLLEGE AND THEOLOGICAL SEMINARY
ACT**

MR. A. DRIEDGER presented Bill No. 81, An Act to amend An Act to incorporate Winnipeg Bible College and Theological Seminary for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker. In explaining Bill No. 81 and the reason for the presentation of the bill, I'd like to give a little bit of background history regarding the Winnipeg Bible College and a rationale for the bill itself.

The Winnipeg Bible College was founded in 1925 and functions as an institution offering post-secondary education at the university level. The College was located in Winnipeg until 1970 at which time a move was made to the campus of the former St. Joseph's College in Otterburne, Manitoba. In terms of standard student equivalence, the institution is similar in

enrolment to St. Boniface College. Total head count enrolment in 1982-83 is 477 students. There's a staff of 42 full-time people and 18 part-time employees. When the faculty staff, students and their immediate families are involved the institution maintains a population of approximately 600 people in southeast Manitoba.

It is a non-denominational college not affiliated with or responsible to any religious body. Academically the college is accredited on the Council on Post-Secondary Accreditation in the United States through affiliation with the American Association of Bible Colleges. Since Canada has no accrediting agency, Winnipeg Bible College has arranged transfer of credit arrangements within individual provincial universities. The college is chartered by the Province of Manitoba as an academic, degree-granting institution and offers a B.A. degree. The latest charter revision took place in 1977 through a Private Members' Bill introduced by Mr. Steve Derwianchuk, the then Member for Emerson.

That is the background I wanted to indicate, Mr. Speaker, on the bill regarding the Winnipeg Bible College. The reason for the bill that is indicated in the back, the corporation, all property real and personal owned by or held by the corporation used directly for religious, educational, or training purposes is exempt from taxation levy or imposed by or through a municipality or a local government district to the extent of 80 percent of the taxes levied or imposed in any year.

The question that might be raised is why the 80 percent. I would like to indicate that we have copied an Act that was passed for the Briarcrest Bible Institute in Saskatchewan in the year 1955. That is what had happened and transpired there. The Act was passed and the Briarcrest Bible College has taxation relief to some degree.

To further illustrate the dramatic impact of what's happening with the taxation at the Winnipeg Bible College, I would like to give you a little further information.

During the past 15 years grants to the universities - I'm talking of other universities - has increased by 800 percent. St. Boniface College, for example, receives over \$2 million worth of grants, 50,000 for capital expenditures. This amounts to almost \$8,000 per pupil that the St. Boniface College gets in terms of grants. The operating budget of the Winnipeg Bible College is \$1.6 million of which \$830,000 is raised by student tuition fees and the balance of that money is raised by donations and fund-raising functions, whatever have you, but no government money is involved in this institution. The problem that has developed - when Winnipeg Bible College bought this new place where they're at, the former St. Joseph's College, the taxes at that time were \$127, municipal taxes, that was in 1970. Since that time, now in 1982, and this is only on the educational aspect of it, their taxes are \$26,271, and that is taken the provision that the school taxes on some of these portions have been removed already.

So they're faced with \$26,271 worth of taxes in 1982 on the main institution. That does not include any portions of the dwellings where people reside. They fully accept the fact that they collect rent from the students or from the teachers living there and that taxes get paid, but on the institution itself, the taxes this year will run in the close proximity of \$30,000.00. The concern

that these people have is that during the economic tough times that are present at the present time that it is creating a major problem, and if this continues there is a possibility that they might have to shut the doors down.

Now there are two problems to this thing that I'm concerned about. One is the economical impact in the southeast area, the employment of approximately 60 people there, the impact it will have and when you look at a budget of \$1.6 million it has a dramatic impact. In fact, it is one of the highest places of employment that I have within my constituency, and what we're asking for is that we get relief; that the bill get passed to give some relief for taxation.

The Winnipeg Bible College members and the RM of De Salaberry who is involved, we had a joint meeting to discuss the impact of it. The municipality neither opposes nor supports necessarily the bill, because you can imagine the dramatic impact it will have on their taxation end of it, because if the bill passes, that money has to be distributed across the rest of the municipality.

The municipality and the Winnipeg Bible College have no problems with each other. The thing is The Municipal Act is such that it does not allow for further exemption provisions and we're asking for the Legislature here to pass this bill to allow this group of people to get some relief in terms of taxation.

They have no funding, as they indicated, from any other source except from tuition fees and from private donations, and it takes a large amount of money to operate a facility of this nature.

The other aspect that I'd just like to touch on is the moral impact of the people that come through this institution. When you consider that it is a theological seminary, the people, the 477 students that are involved either part-time or full-time, as they come through the system, these are people who have a dramatic effect on our life generally at a time when sometimes morality in general can be questioned when we consider some of the problems that society has, the routes that we have gone gradually, that these are people that can help bring it back on track to some degree, or at least stabilize it to some degree. I think these are two things that we should have a close look at.

Efforts have been made by Mr. Bill Eichhorst, who is the President of the Winnipeg Bible College, he has made contact with the Minister of Municipal Affairs; he has also made contact with the Premier of the Province; he's also made contact with the Minister of Education, trying to get some kind of relief or try and help resolve this problem.

I would expect that because the legislation is such that it doesn't allow for the exemption, that the government should see fit to support this bill to allow some kind of relief, because it has a dramatic impact on the southeast area, as I indicated, morally as well as financially. We hope that the House generally can appreciate the pluses of this organization and that we can have support from the members here in terms of passing this bill.

I am prepared to indicate at this time that if there are any questions that members have - I possibly haven't covered all the aspects of it as well as I maybe should have - that staff and the President of the Winnipeg Bible College are prepared to come and meet at any given time to discuss the impact of it, questions

that have to be raised or would want to be raised by members opposite or on this side.

So with those comments, Mr. Speaker, I hope that members of this House, those that want to speak to it, fine, and if not, if they have problems, that we can resolve that and get the bill passed.

Thank you very much.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. I had an opportunity this morning to meet with Mr. Eichhorst and we went over some of the concerns that school does have with its current budget problems. There's no question, it has some very serious difficulties. There is no question that it's a good school.

For instance, it trains very many teachers. They take three out of their four years of teacher training there and have an agreement with the Brandon University to end up their training for a fourth year in Brandon. So, in that sense, and in many other senses they provide valuable public service to the people of the Province of Manitoba.

I have suggested to the president of the organization that he contact Dr. Nicholls, who is currently in the process of doing a review of education financing in the province, and I've also mentioned to him the fact that there is currently a review going on with respect to assessment in the province, so this is an ideal time for that school to be involved in making sure that its perspective is seen in both of those areas.

I point out to the House that it's somewhat difficult to do these things in isolation; that is, this isn't the only school of that type in the province; for instance, the Canadian Mennonite Bible College, the Mennonite Brethren Bible College, the Church of the Nazarene, and there are several others although I am not sure that the others - I believe there is one in Steinbach that's recently started up that also has the degree granting privileges. So it would seem to me that it would be appropriate to look at the whole range of the problems encountered by these schools. I think we need a little more time to look at this.

I have indicated to the President of the Winnipeg Bible College that the material he has left with me is something that I am asking for further study on from especially the Department of Education, because, quite frankly, he agreed with me when I said, look, you're talking about \$1.8 million, and here we are talking about \$30,000 plus any other provincial taxes which might be anywhere between \$10,000 and \$15,000.00. So you're talking at a maximum of approximately 3 percent of their total budget. Now 3 percent is nothing to sneeze at. That's an important amount. That can be, I agree, on occasion the straw that breaks the camel's back, so to speak. He agreed with me that this isn't the only problem. The problem goes far deeper than that portion of money, because even with it, there may well be some unfairness in terms of wages that their employees receive, and that sort of thing. Certainly, the tuition fees that students pay there are very high as compared to what they pay in the publicly-funded universities. In fact, he told me that it was about double and, of course, some of our publicly-funded universities do have theology departments. I don't understand the system

completely, but I understand that, for instance, at St. John's College, there is a department that is involved with the training of people for the Anglican Church; but that portion is somehow split out and not subsidized by the public, although I think you could say there is some subsidization in the sense that the buildings, I don't believe they pay rent for and I don't believe they pay tax, and so on.

So I think it's an area that we ought to look at. We ought to look at it in light of circumstances throughout the province, in light of the ability of taxpayers to pay further funds, in light of the possible unfairness as between the two separate sets of schools. In my view, it seems though that it would be better to solve the problem in general for all of those schools rather than just for the one individual school.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I have a few comments with regard to this bill. I don't want to go into too many details. The Member for Emerson has quoted some figures and some statistics with regard to the operation in south-eastern Manitoba, and I think those are on the record and I don't want to repeat them.

I would, however, like to point out to the Finance Minister who just spoke that there are all kinds of little things that have happened in the last little while. Let's take, for example, the payroll tax which he implemented. The 1.5 percent has cost Winnipeg Bible College, I believe, some \$12,000 in the last year; that's the cost of having their doors open. I say to the Minister, I would agree with him in that this is only a very small amount in their overall budget. However, I think the frustration that the members, the board, and the faculty at Winnipeg Bible College feel is that nothing is really happening with regard to any relief in their struggle to try and survive out there. They are really struggling. In these tougher economic times, it's more difficult to raise money and they've had some fairly extensive drives on, but it is more difficult to raise funds because funds just aren't that readily available.

So I say to the Minister, I would support any move that the government is contemplating in different studies in trying to alleviate some of the financial problems that this college and other similar would have. But these people in this particular instance require some help, and I think this would be a small token of recognizing the fact that they are providing an excellent service to the community, and recognizing their status in the community and in the education field. So I say to the Minister that while it isn't a big thing, I think it's a step in the right direction, and should the government in future years, after doing their studies, come up with a different program, I am sure the Bible College and members such as myself who are seconding this bill would have no hesitation in amending the particular bill to do away with this provision if there are funds coming from somewhere else; but I think that this is an immediate thing that we can do to help them out now.

I remember, Mr. Speaker, when I was a younger fellow playing hockey, I used to go St. Joseph's private school

over there and play hockey on the old rink; then, when the Catholic Church decided to close the facility down, it stood empty for many many years. It really deteriorated and there was no activity there; there was no employment there and these buildings were just sitting there. The Winnipeg Bible College took over those buildings, and I know if you would speak to some of the board members, they took them over for I believe \$1.00. Some of them would say that maybe we overpaid, because what has happened is some of the buildings were in such bad repair, the sewer system they had trouble with, that they might have even been better off just to build a new facility rather than taking the old one. However, they have upgraded it; they've upgraded the residential facilities. Really, what they've done to the surrounding area has created an economic climate in the southeast, as mentioned by the Member for Emerson, that is beneficial to not only the Otterburne area on that particular community, but to areas in my constituency as well.

So I know, on the one hand, the municipality is very concerned about losing this revenue; but, on the other hand, if some move isn't taken over the next couple of years to help this particular college, they could be faced with once again having a bunch of empty buildings. That, of course, I do not believe is in the best interests of the municipality and the surrounding area.

So I say to members opposite that while I myself on this side realize that this is not a big amount of money and won't make that dramatic change in their budgeting procedure, I point out to all members that they are currently not receiving any grants from the government; they are, as mentioned by the Member for Emerson, not receiving the kind of money, for instance, that St. Boniface College and some of the other colleges are getting, and that I would encourage everybody to support this particular bill.

Again, as the Member for Emerson mentioned, in this day and age, I think that whatever we can do to encourage the teaching of moral and religious values in the community, we should all be promoting that as much as we can. I think this is a small way in which we can maybe start recognizing this college and, hopefully, in the future years, as mentioned by the Minister of Finance, a different program can be put in place which will help these people in a more dramatic way than this particular bill does.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Was the Minister going to be speaking or was he going to take the adjournment? If so, I'd like to speak.

HON. A. ADAM: Go ahead and speak.

MR. G. FILMON: Go ahead, Pete.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. A. ADAM: Mr. Speaker, I appreciate the comments. I listened with interest to the comments made. I missed the introductory remarks of the Member

for Emerson, I believe. I listed with interest to the comments made by my colleague, The Minister of Finance, and the Member for La Verendrye on this particular bill.

We are cognizant and recognize the problems that the Winnipeg Bible College perceived as being a problem for them, and no doubt that it is a problem. The Member for La Verendrye indicated that the municipality would not like to lose the revenue from allowing an exemption, but I believe that the municipality would have to pick up any losses - any revenues coming from that particular property would have to be picked up from other ratepayers insofar as municipal services are concerned.

I believe that the comments made by the Minister of Finance are relevant. I think that they should avail themselves to making presentations to the Education-Finance Review Committee that's been under way now for some time, and I expect that it is not too late, Mr. Speaker, to make presentations to that committee and to make their views known so that that committee will be aware of the problems faced by the Winnipeg Bible College; but that's pointed out by myself previously when I responded to the Member for St. Norbert when he introduced a similar bill. It is very difficult to deal with this kind of a situation in isolation of looking at the whole package of assessment and exemptions in the Province of Manitoba.

As you are aware, we are reviewing the assessment in the Province of Manitoba and we have looked at some of the recommendations - we have looked at all the recommendations in the Weir Report, and they recommend that we minimize exemptions to the greatest extent possible, and they suggest that we should do a study or set up a task force to look at all these exemptions throughout the province. Should the municipalities be the ones at the local level to make a decision on who should be exempted or not? There are all these questions that perhaps should be looked at when you're dealing with exemptions on property taxes.

The problem that we have here is that there are other similar groups, other similar denominations - and I'm not sure what denomination this is, the Winnipeg Bible College - but there are the Mennonite groups, the Nazarene. They are providing a similar service, and to deal with this on an ad hoc basis is extremely difficult and unfair to other groups in society who feel that they are not being justly dealt with. So I realize, and agree with my colleague, that we should be looking at why there appears to be a discrepancy between some other colleges and the Winnipeg Bible College and other colleges that are providing education and training. So I feel that it would be difficult to proceed in isolation, because as I mentioned in response to the Member for St. Norbert when speaking - I don't remember the number - on the bill, that would exempt certain day care centres and isolates one day care centre in the province.

There are many others out there that are in a similar position, and since we are dealing with the total review of the assessment system in the Province of Manitoba, it seems to me that that is the time to deal with all those anomalies and inequities that appear to exist in the system, and while the concerns expressed by the - and I want to say, Mr. Speaker, that I have met with

the representatives of the Winnipeg Bible College, as did my colleague, and we were apprised of the problems that they face, and I informed them at that time that we are doing a complete review of the assessment system in the Province of Manitoba. On the other side of it that's a different issue, and that is whether or not they should be treated differently than any other college such as the St. Boniface College. That is a different issue that should be looked at, at the present time, but to isolate this one case and say, you shall not be assessed taxes or this other property should not be assessed taxes, is really really a difficult situation to address.

I would prefer, Mr. Speaker, to see us deal with this issue on a broader base; look at the whole issue, set up a study as recommended by the Wier Committee, look at all the exemptions, how they should be applied, who should apply them, who should recommend them, and then come up with a uniform policy right across the province.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. In looking at this particular bill, it seems to me that there are many reasons why we ought to give special consideration to the Winnipeg Bible College and its circumstances. As my colleagues have recounted the history of the institution and the facility which they now occupy, it's quite obvious that they took over an existing facility that was dormant, that was closed, that was not contributing in any way to the community or to the province at large; and in turn, by activating it, by putting in a school that is active, growing, and providing a very valuable service both to the educational community and to the community at large, they have provided the kind of stimulus and opportunity that all of us would want to see in this province.

There are many of the staff, if not all of them, who live in the area, have established their homes in the community. They raise their families there, and they are providing a significant economic base for the area; and it seems to me that this will be of interest and concern to all of the people in that area to ensure that the college remains viable. I know that over the past number of years the college has built up an accumulated deficit in the range of .5 million. I know that their only source of income and revenue, as my colleagues have said, is from their students, No. 1, and donors, No. 2.

They get no government support and it's interesting, as you review some of the statistics about the Winnipeg Bible College, Mr. Speaker, that it is currently dealing with a total enrolment of 477, that it has a total of 60 employees; that it has an \$800,000 payroll, that they pay \$12,000 in payroll tax to the province, that it has an operating budget of \$1.6 million - more than half of it comes directly from student fees.

Now you compare that to the publicly-funded university and colleges in Manitoba, 88 percent of their income comes from governments - 88 percent - only something just under 12 percent comes from student fees. Here we have over 50 percent coming from student fees. It's a unique institution. It's one that I think requires unique treatment, only because of what it offers to the community.

Members opposite are concerned about establishing a precedent and you know, Mr. Speaker, that's a valid concern. I don't blame the Minister of Finance or the Minister of Municipal Affairs for being concerned about that, but I'd just like to say, and I'm quoting from a letter from the Minister of Education, that there are several provinces - Ontario, Quebec, Nova Scotia and Newfoundland - which provide total exemptions to such institutions, total exemptions from municipal taxes. There are two or three other provinces who are currently providing partial exemptions and the Member for Emerson mentioned the situation in Saskatchewan, the Briarcrest School, which receives an 80 percent exemption, as is proposed here.

So, if he's concerned about the precedent, it certainly is being done in other provinces, and if we value this institution and want to support it, then I think we ought to be interested in coming up with the kinds of measures that will be required to ensure its continued viability and existence. This is not a major measure, I want to say. If you want to say, what would happen, as the Minister of Finance said, if all the similar institutions in Manitoba came and asked for this treatment. Well, I say, No. 1, Winnipeg Bible College is the largest of the half dozen or so that exist and its exemption would probably be greater than all of the others combined, in terms of total dollars. So, you're not talking about very large numbers in this case. These are not many in numbers because of the restrictions that prevent anybody from opening a college and being able to grant degrees, the accreditation process and so on, that they have to undergo from some organization. In this case, it's an American organization that accredits them and authorizes them to provide degrees. There would only be a small number involved, and there would only be small numbers in total of dollars involved in comparison to the kinds of revenue that they provide and the kinds of input that they provide to the provincial community at large.

So, saying you recognize that they have some difficulty and that you recognize that their budgetary constraints and problems are making them on the verge of non-viability, and saying, however, that you don't want to deal with this, because it may create a precedent, or you don't want to deal with it as an exception in terms of the overall municipal assessment scheme, says to me that you don't really want to deal with their problem and you don't want to help them with their problem.

I say to you that when we were in government, we took a major step forward to assisting this college and others like it, the religious affiliated colleges, degree granting in this province, who heretofore, at least until that time, their students were not able to get any provincial or federal student aid. We took the step, which was a rather major one, of having the students at this Winnipeg Bible College and other religious affiliated institutions made eligible for the full range of student aid - the loans, grants, bursaries, and so on.

For instance, for the students at Winnipeg Bible College during the past year, there were \$50,000 worth of student aid, \$54,000 worth of student aid granted to their students. So that's a significant assistance to them, since they're paying much larger tuition fees, more than double what they would pay if they were in a public institution.

We were interested in going at least one step towards assisting them in their viability. I believe that the government ought to be now considering, since it's becoming obvious that they need additional assistance to remain viable, that they ought to consider this as a very small step, but a significant one in their Budget. The Minister of Finance said it might be only 3 percent, but you know, as that accumulation of 3 percent and a couple of percent there adds up, as I say, they have accumulated over the period of the last decade, a deficit of half-a-million dollars and it's these - what the Minister might term minor amounts - that add up over a period of time.

So, consequently I believe that it is in all of our interest to ensure that we're aware of this institution, of its needs, and of the constraints under which it operates. They have a well-qualified staff, a very loyal staff there. Many of their staff members have Ph.D's. They are accepting salaries that are half of what they would get if they taught at the publicly-funded universities and colleges in this province; yet they're happy to teach there, because they believe in the institution, they believe in the quality of education and standards that it's providing, as the Member for Emerson mentioned, and they believe so strongly in it that they are willing to work there at a far lesser rate than they would be capable of earning in a publicly-funded institution.

In fact, last year an interesting thing happened. They missed one payroll - a two-week pay period they weren't able to meet their obligations, because they were at the limit of their bank loan. By putting on a tremendous drive to get additional funding, they eventually got the funds in that they needed to put themselves back in a position to make their obligations - I'm leaving aside their long-term accumulated debt - and the staff came to the administration and said, you can forget about that two-week period that we missed. That will be our contribution to the institution. That from a staff, as I said, who are earning about half of what they could command in the publicly-funded universities and colleges.

So, it obviously is an unique institution. It obviously has committed people supporting it. Many of the people who are working voluntarily on its board of directors and fund-raising for it, come from all walks of life, from all areas of this province. I know that some of them come from my own constituency, who are working hard to raise funds for the institution and they're raising, on public donations, something approaching \$750,000 a year. So with that kind of effort being put in, it seems to me that a little extra consideration on the part of this Legislature and this government to look at a measure like this that will enable them to take another small step towards continuing viability seems to me should not be ignored, not on the basis of the arguments that were put forward by the Minister of Finance and the Minister of Municipal Affairs.

So, Mr. Speaker, in summary, I would just like to make the point that if this institution were to become affiliated with a university on a publicly-funded basis as is, say St. Boniface College, which is a similar institution, slightly smaller in size, it would immediately become eligible for a couple of million dollars worth of provincial and federal funding, and all sorts of additional things would happen. It is possible, I suppose, that's the kind of route the government may want to

force them into in order to justify it. But, I say to you, that this would be a much lesser expense and drain on the taxpayer to go this route than to force them into some form of affiliation and accreditation through Manitoba's publicly-funded universities that would end up costing us millions of dollars to accomplish the same purpose.

So, this institution, because of its desire to add morals and values and other things to its non-denominational teaching, and I want to make that point to the Minister of Municipal Affairs that it's non-denominational, it is not of one religious denomination, it is non-denominational, but it does have education in values and in morals that go over and above its normal educational teachings, and those are what attracts people to it. Those are what attracts both its staff and its students to support it and the people who contribute to it. So, those are all important reasons why I believe that it's in all of our interests to ensure that it continues to be viable.

Just so that members opposite know, I'll repeat the figures that I think were introduced by the Member for Emerson when they said that when they took over this building in Otterburne in 1970, the municipal taxes were \$127.45; today, \$31,301.12. So, we are dealing with a situation that has developed outside of the control of the institution and one which threatens its viability and one which can be adjusted and can be adjusted in a reasonable manner to assist it in its continuing operation. So, I recommend to members opposite that rather than dismissing it out of hand; rather than referring it to Dr. Nicholl's committee on education finance through the province; rather than saying that some resolution might come out of the Weir Report; recommendations and so on, deal with it now because it is a unique set of circumstances. We know what the parameters are, and we know that in dealing with it on a positive basis, we will do something to preserve and maintain a very valuable educational institution in this province.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Speaker.

I want to, as well, add my support to the bill which was introduced by my colleague from Emerson and speaking in support of it, I want to not go over the kinds of numbers that we've heard, but to point out in particular the numbers that were just referred to by my colleague on the amount of increase that the taxes have gone up from 1970 to 1982. The revenue, which the province receives annually through what they call their health and education levy, where the province annually gets some \$12,000 to pay for the overall operation of government. And the real question is, how long can the viable operation of the Winnipeg Bible College be maintained and continue to contribute to the overall educational system of the province, with the employment opportunities of some 42 full-time people and some 18 part-time employees? — (Interjection) — That's right.

The other question is, how much tax do they pay as Manitoba residents? So, the question has to be asked of the government, how much money are they spending

directly of the taxpayers' money in the province to try and encourage jobs through their Job Creation Program? This is a ready-made asset, educational facility, employing people, providing a service, generating income for the Provincial Government, and the government who have an opportunity to demonstrate in a vote in support of this Private Members' Bill could stand up and maintain jobs and maintain income to the province. It's a good opportunity for them to do it, and I would think that each and every member would give serious consideration to that.

I think I would like to, as well, respond to the comments made by the Honourable Minister of Municipal Affairs. I find them somewhat hard to understand when we have a Minister of the Crown, who has been a believer in, I'm sure, a believer in good facilities and education, and he keeps telling us that he has the open-door policy, that he's prepared to listen to members of the opposition, that he's quite interested in what we have to say, here's an opportunity for him to do it, to listen to us and to support us, if he really feels as strongly about his open-door policy and the operation of his department as he did. But he is disappointing because he said, let us refer it to a study. Let's take a look at the overall view. — (Interjection) — Well, he talks about the Weir Report.

What has become of the Weir Report, Mr. Speaker? He's now referred it back again to the municipalities when they told him to get on with dealing with what Weir had recommended, but he couldn't deal with it, he had to refer it back to another set of committee hearings. To hear what? Now, why can't he deal with it, Mr. Speaker? He can't deal with it because there are still some submissions coming in. Well, is he going to go through his full term of four years and then be turfed out of office and still not have dealt with it, because that's the kind of thing that will help turf him out, Mr. Speaker.

As well, Mr. Speaker, as well as the opportunity today to support a Private Members' Bill that's going to, yes, going to continue the employment of some 42 full-time and 18 part-time people, pay \$12 million annually in a payroll tax into the province, which I don't agree with, Mr. Speaker, but it's another imposition on that facility. It's an imposition on it, but it's funds for them, and he has a chance to vote for that, but he's rejecting it. He's rejecting the continued employment of some 42 people, some 18 part-time and some \$12,000 annually — (Interjection) — well it was close at 12 million, I guess. I withdraw the 12 million, and it was 12,000.00. But the Minister of Finance, Mr. Speaker, as well had the opportunity, and I know the members are concerned. — (Interjection) — The member has the opportunity to vote for again his payroll income, his tax income.

He refers to the fact that we had four years. This is the first request to my knowledge, Mr. Speaker, that has come before this Chamber. This is the first opportunity that we've had. As I am aware, it's the first opportunity, and remember what the taxes have increased, from \$127 to \$26,000-some in 1982 in a 12-year period. That is a horrendous thing for the administrators of that facility to cope with, as well as a \$12,000 payroll tax imposed by the New Democratic Party.

So the least this government could do is the honourable, respectable thing, and stand up and vote in favour of this bill that was introduced by my colleague from Emerson. I would solicit - even though the Treasury Bench have indicated that they can't support it, I would certainly plead with the members of the back bench to look very carefully at it, because someday they may have a Private Members' bill to deal with a facility in their constituency that does equally the same kind of benefit that this one is being purported to do.

So with those, Mr. Speaker, I will conclude my remarks and solicit the support of the members of the government to do a worthy act and vote for this bill.

QUESTION put, MOTION defeated.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

Order please, order please. The question before the House: It is moved by the Honourable Member for Emerson that Bill No. 81 be now read a second time.

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

YEAS

Messrs. Banman, Blake, Brown, Downey, Driedger, Enns, Filmon, Gourlay, Mrs. Hammond, Messrs. Hyde, Kovnats, Manness, McKenzie, Mrs. Oleson, Messrs. Orchard, Sherman.

NAYS

Messrs. Adam, Anstett, Ashton, Bucklaschuk, Corrin, Cowan, Mrs. Dodick, Messrs. Doern, Evans, Eyler, Fox, Harper, Kostyra, Lecuyer, Mackling, Parasiuk, Pawley, Plohman, Santos, Schroeder, Scott, Uskiw.

MR. CLERK, W. Remnant: Yeas 16; Nays 22.

MR. SPEAKER: The motion is accordingly lost.

The Chair will accept a motion to adjourn. The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that subject to the committees meeting this evening, this House do not adjourn.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please.

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