



Third Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Guizar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNESSE, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 21, 1992

The House met at 1:30 p.m.

* * *

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Mr. Speaker: I have reviewed the petition of the honourable Leader of the Second Opposition (Mrs. Carstairs). It complies with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

The petition of the undersigned residents of the Province of Manitoba humbly sheweth that:

WHEREAS the Province of Manitoba announced that it would establish an Office of the Children's Advocate in its most recent throne speech and allocated funds for this Office in its March '92 budget; and

WHEREAS the Kimelman Report (1983), the Aboriginal Justice Inquiry (1991) and the Suche Report (1992) recommended that the province establish such an office reporting directly to the Legislative Assembly of Manitoba, in a manner similar to that of the Office of the Ombudsman; and

WHEREAS pursuant to the Child and Family Services Act Standards, the agency worker is to be the advocate for a child in care; and

WHEREAS there is a major concern that child welfare workers, due to their vested interest as employees within the service system, cannot perform an independent advocacy role; and

WHEREAS pure advocacy will only be obtained through an independent and external agency; and

WHEREAS the Minister of Family Services (Mr. Gillieshammer) has unsatisfactorily dealt with complaints lodged against child welfare agencies; and now

THEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba strongly urge the provincial government to consider establishing an Office of the Children's Advocate which will be independent of cabinet and report directly to the Legislative Assembly of Manitoba.

I have reviewed the petition of the honourable member for Inkster (Mr. Lamoureux). It complies with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

The petition of the undersigned residents of the province of Manitoba, humbly sheweth that:

WHEREAS the Manitoba Heritage Federation has received and processed nearly 1,200 grant applications and awarded and monitored almost 700 grants; and

WHEREAS 300 different organizations in 98 different communities representing every region of the province have received grants through the efforts of the Manitoba Heritage Federation; and

WHEREAS the government has taken away the granting authority of the Manitoba Heritage Federation and now plans to control the distribution of heritage grants; and

WHEREAS this action appears to represent the politicization of the heritage granting process; and

WHEREAS it is unclear as to what the government's real commitment is to funding heritage in the province; and

WHEREAS the Board of the Heritage Federation is composed of urban and rural members which represents a wealth of heritage experience from all over the province; and

WHEREAS this move will have a critical impact on the heritage community throughout the province

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba strongly urge the provincial government to reconsider its decision and return the Manitoba Heritage Federation's granting authority.

MINISTERIAL STATEMENT AND TABLING OF REPORTS

Hon. James Downey (Minister of Northern Affairs): Mr. Speaker, I have a ministerial statement to make, and I also want to table the agreement between Split Lake Cree, Canada, Manitoba Hydro and the Province of Manitoba.

I wish to provide this House with additional information regarding the comprehensive settlement agreement with the Split Lake Cree First Nation.

* (1335)

On May 4 of 1992, I informed the House that the negotiators for Canada, Manitoba, Manitoba Hydro and the Split Lake Cree First Nation had recommended a comprehensive agreement to settle the outstanding obligations arising from the Northern Flood Agreement. At that time, Mr. Speaker, I also committed to provide further information to members of the Legislature as the process continued.

Today I am pleased to table in this House the agreement to which I have referred. This agreement details exactly how the obligations of each party will be fulfilled. Mr. Speaker, I will not take the members through the settlement page by page, but rather offer a very brief summary of the major components of particular interest in addressing the outstanding obligations of the parties.

Compensation Lands: Manitoba will provide a total of 34,100 acres of Crown land to be added to the existing Split Lake Indian reserve.

Fee Simple Lands: Manitoba will provide 2,800 acres of Fee Simple Lands to be owned by the Split Lake Cree Land corporation.

Resource Management: A Resource Management Area will be established and co-managed by Manitoba and the Split Lake Cree First Nation.

Resource Compensation: A trust fund will be established to administer settlement monies in order to compensate for the past adverse effects on the natural resource base.

Economic and Social Development: A development corporation will be established to promote a wide range of developments for ongoing benefits of the members of the Split Lake Cree First Nation.

It is important for this House to recognize that this settlement with the Split Lake Cree will in no way infringe on the rights of the First Nations of Norway House, Cross Lake, Nelson House and York Landing. As was indicated in my statement of May 4, the invitation to negotiate globally remains open to these four First Nations. The work that has gone

into this negotiation of this agreement by all parties has been substantial.

If approved, the agreement assures that benefits will flow directly to the people in the community affected. As provided for in this \$47-million agreement, the agreement will be tabled with the NFA arbitrator, the Northern Flood Agreement arbitrator, for an order which will recognize the settlement as a full and final resolution of the NFA obligation of the parties to Split Lake Cree. Further, Mr. Speaker, I have the concurrence of the federal government, Manitoba Hydro and Chief Flett to refer the negotiating costs to the NFA arbitrator for an independent review.

Mr. Elijah Harper (Rupert's Land): Mr. Speaker, I wish to respond to this statement by the Minister of Northern Affairs.

As you know, this outstanding agreement has been in discussion for many years, and we feel that the issues need to be addressed. I know this is a major step for the members of the Split Lake Band, but I know that the vote has not taken place. The community has to still assess the agreement, and we do not want, in any way, to prejudice the outcome and say this is a bad agreement. Certainly, that is a decision that will be left to the people in that community.

I must caution the minister and say that there are other bands who are concerned about this agreement. I do not have the details of the agreement itself, although the minister has stated that it would not affect the other members. Any flooding that is done in future Hydro developments in the North, Conawapa or other Hydro sites, will impact the areas that have been flooded. So in a sense we cannot say that the communities will not be affected. They will certainly be affected by such a project.

There are many other things that are contained in the agreement that may have an impact, not necessarily in terms of affecting Split Lake but other communities. That is an area I think that is most concerned by the communities themselves, Norway House, Nelson House, Cross Lake, York Landing, and we have to respect their concerns. I know the chiefs from that area—the bands have called the chief from Split Lake to give them more time to consider this agreement. I know that the government may be sincere in trying to come to this sort of agreement, but at the same time I think we

have to take in the whole context of all the bands that are involved in this agreement.

We have been concerned about the progress and the snail's pace of the whole process. Of course, we are very concerned about the costs of the whole process and who is actually benefitting from the agreements. We have outrageous examples of fees that are paid to consultants and lawyers, and no benefits are derived for the people who are directly affected by the agreement.

I hope that this agreement is one that we can look back at some time in the future and look back at this agreement, that it is a good agreement. But we will have to reserve judgment on that in the future. So I reserve comments until this has been dealt with.

Thank you, Mr. Speaker.

* (1340)

Mr. Paul Edwards (St. James): Mr. Speaker, as I said at the time that the minister first came forward with his announcement that there was a deal in the works some time ago, we are pleased to see the resolution and some hope for the future for the communities in northern Manitoba that have been harmed by the developments of Manitoba Hydro.

With respect to the details of the agreement, I am pleased that the minister is tabling it today. I look forward to reviewing it and going through it in some detail with the minister in the upcoming Estimates. I am also pleased to see that the contentious issue of fees which has been an issue in the public and an issue that has raised concern is being referred to the arbitrator, I believe, Mr. MacLean under the Northern Flood Agreement. I look forward to a full hearing on the merits of that issue at that time.

Mr. Speaker, with respect to the agreement itself and the bare-bones analysis the minister has given here, I am particularly pleased to see, and will be interested to read, the details on the economic and social development clauses. Anyone who has visited these communities, communities like this in the North, knows that they are in desperate need of leadership and of the ability to put into place economic and social plans for the future. That is desperately required in these communities. I am pleased to see that there may be some hope for this community at long last after many, many years to develop a social and economic plan for the future and future generations, so that these communities can thrive in the future, rather than suffer the consequences of economic deprivation.

Mr. Speaker, the point I wish to leave members of the House with on this occasion is that if there is one lesson from this coming so many years after the damage was done, it is that consistently in this province and in this nation, we have underestimated the cost of this type of development. We have underestimated in terms of not only financial cost and social cost, but human cost in these communities and the communities that this type of development affects. That is the legacy of the development which took place and led to this agreement and the Northern Flood Agreement in general.

Mr. Speaker, as we head into a further development, this government, unfortunately, appears not to have learned from that lesson and appears to be repeating again the failure of the former governments, former administration, to adequately and accurately predict what the real cost is to these communities.

Today, this government is pushing forward full speed ahead and looking to meet unrealistic time lines with respect to the Conawapa project, having built in a penalty clause with the Province of Ontario if they do not get it done on a certain timetable, committing funds in northern Manitoba to build infrastructure at a time when they do not know the full cost. There is a lesson to be learned from this which is to think first and act later and this government, unfortunately, is repeating the mistakes of the past by not doing that.

Mr. Speaker, I ask the minister, on this day when he is with pride announcing a resolution at long last for this one community, to reflect on the legacy of the past and to learn from it.

Hon. Rosemary Vodrey (Minister of Education and Training): Mr. Speaker, it gives me pleasure to table the Annual Report for the year ending June 30, 1991, of The Public Schools Finance Board.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon from the Nellie McClung Collegiate, thirty Grade 11 students, and they are under the direction of Terri-Lynn Mitchel. This school is located in the constituency of the honourable Minister of Health (Mr. Orchard).

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

ORAL QUESTION PERIOD

Assiniboine River Diversion Federal Environmental Assessment

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, western Canada has experienced two major water projects which many of us consider to be boondoggles in terms of western Canadian use of water and the stewardship of our most precious resource.

One has been, of course, the Rafferty-Alameda dam that we thought, and all the evidence that was produced, was a very, very harmful project for the people of Saskatchewan. They had to pay hundreds of millions of dollars to complete that project, Mr. Speaker, which now sits in a deficit, and it is very, very harmful to the province of Manitoba in terms of water quality and unknown water quantity, particularly in a drought period.

A second project, Mr. Speaker, that is now being ruled on today is the Oldman River, a project in the province of Alberta. That project has now been deemed by a federal review panel today to be recommended to be closed, and a report to be released today recommends tunnels and overflow valves be opened to let the water flow freely through the dam, rendering it useless. It basically stated that the Province of Alberta did not consider the damages that would be done with that project.

* (1345)

Given the fact that the Assiniboine diversion project is the next major project in western Canada dealing with water, will the government now, rather than spending tens of millions of dollars before a federal assessment is done, unequivocally agree to a federal environmental assessment study, so that we will not have to go through the same kind of boondoggle that they have gone through in Alberta and Saskatchewan?

Hon. James Downey (Deputy Premier): Mr. Speaker, I hardly think the Leader of the Opposition is using a fair comparison as to using the Oldman River in Alberta, the Rafferty-Alameda dam in Saskatchewan and the proposal that is being brought forward to bring some water supply to the Pembina Valley—from where we have some students here today—which could well be one of those twenty-some thousand jobs that would be created with the distribution of water through that system.

Let me conclude by saying, Mr. Speaker, I am confident that this government is doing the responsible thing through the Department of Environment, through the Department of Natural Resources and all those people responsible for making sure any work activity in this area is carried out under a thorough and normal process.

Mr. Doer: I did not ask the Deputy Premier that question. I asked the Deputy Premier, will he now, in light of the precedents that have developed, agree that there should be a federal environmental assessment. Will he now state unequivocally that he and his government support a federal environmental assessment, rather than having the province proceed and the federal government coming in after, dealing with federal jurisdictions, being very critical and rendering the project useless in terms of the taxpayers' money and in terms of the stewardship of our water and our most precious resources?

Mr. Downey: Mr. Speaker, I have a difficulty in understanding where the Leader of the New Democratic Party comes from.

We have just announced today a major compensation package that is being worked on, of which he and his government of the past were responsible for creating, no environmental reviews taking place under the northern development of the Nelson River project. We have introduced a joint panelling for further activities as it relates to activities such as Conawapa and Bipole III.

As far as the work on the water system that he is referring to, Mr. Speaker, I will take the specifics as to what is being carried out as notice for my colleague, the Minister of Environment (Mr. Cummings).

Mr. Doer: A number of communities now and a number of aboriginal communities that are affected by this project are asking the provincial government to have a federal environmental impact study. On April 12, 1991, in this House, the Deputy Premier stated: "Let me make it clear that our caucus clearly represents the areas of which we are talking about . . .".

No caucus and no member represents all the interests of all Manitobans, Mr. Speaker. It is not a purview of only the Conservative caucus and the Conservative government.

I would ask again, in light of the recommendations from the City of Winnipeg, Portage, Brandon, eight

native communities, and in light of the precedent today with the Oldman River, citing the native community that was impacted by that project and arbitrarily proceeded with by the Conservative government in Alberta, will the government use the precedent of the Oldman River to now say yes to a federal environmental impact study which has been requested right across this province?

Mr. Downey: Mr. Speaker, I want to assure the members of this House and the people of Manitoba that when in fact development takes place, that it is done through a responsible action plan which—I do not disagree. There may be some individuals who disagree with activities of this government. But, overall, what I was indicating, there are members who represent those communities, some who are wanting more assurances, some who have every right to want more assurances.

We are working, Mr. Speaker, to make sure that all parties that are going to be influenced or affected by any activities that are carried out, whether it is with water, whether it is with Hydro development, as has been indicated has not been done in the past, that those considerations are taken into account before activities are carried out.

Crow Benefit Payment Plan

Mr. John Plohman (Dauphin): Mr. Speaker, yesterday the Minister of Agriculture did not remember that he had vetoed a democratic decision that had been made by potato producers in this province. Today, he will probably wish that he could forget about his statements made about the payment of the Crow benefit after the ministerial meeting that was held recently.

* (1350)

I want to reference very briefly a couple of minor quotes from the Hansard that are relevant to my question. On May 12, I asked the Minister of Agriculture about his statement that Manitoba producers were split 50-50. He said: They (the consultants) reported to the press and they reported to us that the split was about 50-50. He then said further: The consultant said it was about a 50-50 split, too close to call.

Mr. Speaker, in view of the fact that the Western Producer has indicated that, in fact, 11 meetings favoured the current method of payment and only six meetings favoured a change in the method of

payment, how can this minister say that this is a 50-50 split? Is this what this minister calls too close to call?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, the member has already given us two different questions in his comments to the House here this afternoon.

I would like to remind him from the question yesterday, that back in February 1989—I am sorry, in June 1988—a national vote was held, and the producers of Manitoba, both the table potato producers and the processing potato producers voted 83 percent to reject a national potato marketing board.

An Honourable Member: You got the wrong one.

Mr. Findlay: Okay, Mr. Speaker, the member just indicated I got the wrong one. Well, he was unable yesterday to determine which one he wanted to talk about. I presume the one he wanted to talk about was, in February 1989, the provincial processing potato producers wanted to have a price-setting mechanism. They came to me with various proposals, and through a process of six to seven months of discussion, they were able to enter into the first-ever two-year contract with the processing companies in Manitoba for 1990 and '91 and have just arrived at a contract for 1992.

Everything has been resolved very, very well for the good of the processing potato producers in the province of Manitoba, but I want to remind the member that these same processors and table producers rejected 83 percent against a national potato quota.

Mr. Plohman: Well, Mr. Speaker, the minister did not, with all due respect, answer the question I asked of him today. He has conveniently not mentioned the 68 percent in the vote that was taken and that he vetoed. Okay, I will deal with the issue of the 50-50 split and the method of payment.

I want to ask the minister: Will he indicate what his motivation was for suggesting, for saying, for proposing at the minister's meeting that the method of payment should be made differently to different provinces and even differently to different producers? Why did he make that kind of ill-conceived proposal?

Mr. Findlay: Mr. Speaker, it is too bad that member cannot be present at these meetings. He might actually know what is going on. The member now wants to hear from me again. The member just read

from Hansard the exact answer I am going to give him again, and he says he wants to hear it from me. I will tell him for the second time.

The consultant—

An Honourable Member: Apologize for misleading the House.

Mr. Findlay: Mr. Speaker, I reject categorically what that member just said across the House. To the ministers, the consultants reported that Alberta favoured change, Saskatchewan said no, and Manitoba was split. I asked her specifically: What is the definition of split? She said 50-50. I told that to the member, what he just read from Hansard, and I gave it to him again.

Mr. Speaker, I will read further from the report: The fact that opinion is divided on some points is clearly a matter of concern.

Yes, it is a matter of concern. If any changes are to be made, the starting point should be built on the areas of general agreement that do exist, and there is agreement in Manitoba that there is a split. That is what the consultants reported from the meetings, and that is why I say, if the producers want this or those producers want that, democracy allows you to have your choice. I believe the producers have that ultimate right of democracy of choosing, and we are looking at the feasibility of whether that can or cannot be done. We are not saying we are supporting it. Looking at the feasibility—

Mr. Speaker: Order, please.

Mr. Plohan: Mr. Speaker, this minister is calling 11 meetings to six 50-50 again. Can he not read?

Will the minister now withdraw his ill-conceived proposal that was made at the minister's meeting, since it was almost universally rejected by all farm groups in this country?

* (1355)

Mr. Findlay: Mr. Speaker, you know, I am tempted to call this member quite irresponsible in the way he just quotes from a paper 11 to six. The paper does not have access to the information that the consultants took from the meetings. There were verbal statements made, but not everybody in the meetings spoke. Everybody in the meetings had the right to fill in a form which the consultants took from the meetings and did their analysis and report. I would recommend that the member read the actual document submitted by Peat Marwick, the consultants who did the study, not listen to

somebody's interpretation in the press who did not have the information that the consultants were bringing forward.

I am very disappointed this member says that his way is the only way, and he refuses the farmers of Manitoba the opportunity of making their own decisions. He does not understand the very basic fact that the farmers farm in this province because they like the freedom of being able to choose what they do, when they do it and how they do it, and he rejects that completely.

Health Care System Computerized Health Smart Card

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, my questions are to the Minister of Health.

Part of the new thinking on health and well-being is that it consists of more than hospitals and doctors. Individual citizens must and can indeed become more active participants in their own good health. They must know facts about how to stay healthy, and they must learn how to prevent illness. They must know facts about what makes a healthy lifestyle, and they must have facts about the most appropriate and effective ways to use the health care system.

The studies have shown that we pay a high price for the inappropriate use of the system as it presently exists for nonemergencies in emergency wards and for overmedication and for duplication of tests and procedures.

Mr. Speaker, today we issued a press release asking the government to implement, as soon as possible, a computerized Health Smart Card. Will the minister today tell the House when this government is going to begin the implementation of such a Health Smart Card in the province of Manitoba?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I am always willing to listen to good ideas and to expand them into better ideas. You might recall that the Leader of the Liberal Party has been proposing, over a number of years, a pharmacard for use in the Pharmacare system.

I have taken the initiative in Manitoba, going back approximately 18 or 19 months ago, wherein we hosted a conference on plastic card technology and its application to the health care system. Subsequent to that, Mr. Speaker, I have been

investigating and wish to develop an action plan not narrowed with plastic card technology to the Pharmacare system, but rather to apply it across the system, physicians and other care providers being part of the plastic card technology system for consideration and introduction into the province of Manitoba.

Mr. Speaker, I have made that comment to a number of groups over the past six to eight months, and I am pleased now to see that my honourable friends are saying to not narrow a plastic card technology to Pharmacare program but to expand it across the system as we have been contemplating as a result of the conference we hosted in Manitoba.

Mrs. Carstairs: Mr. Speaker, when we made our Pharmacare card suggestion, we did it as an initial step in seeing if the Smart Card would work. We now know that the technology is capable of broadening it to many more areas. The Minister of Health indicates that he is still contemplating it, and he is still considering it.

Can he tell us what kind of collaborative efforts he has entered into with Ministers of Health across the nation for a national implementation of such a Smart Card with the technology being borne in cost by all 10 provincial Health ministries?

Mr. Orchard: Mr. Speaker, there has been no discussion at the ministers' level in terms of a national implementation of Smart Card. Other provinces have varying forms and degrees of implementation of smart-card type technology; all of them new, some of them with growing pains.

Mr. Speaker, I will indicate to my honourable friend where we see an advantage and a benefit for a system-wide introduction of plastic card technology in the province of Manitoba based on some of the recommendations flowing from the plastic card technology conference that we hosted approximately a year and a half ago. We have, in Manitoba, some of the finest scientists at the Centre for Health Policy and Evaluation who analyze our currently available health statistical base.

Building on the strength of that scientific excellence, which is leading in Canada and possibly a global resource in healthcare planning, we see an advantage to tying their analytical abilities to the introduction of smart-card technology across the system, so that we can indeed lead the world in terms of availability of information for health outcome analysis to guide health policy, not only in Manitoba but in Canada and in many jurisdictions of

the world. From that standpoint, Mr. Speaker, we are working very much internally in Manitoba at this time.

* (1400)

Mrs. Carstairs: Mr. Speaker, one other province that is looking very carefully at a smart-card technology is the Province of Ontario, because they have identified that in the past year they spent some \$200 million treating the common cold. That kind of smart-card technology information is becoming more and more available.

Can the minister tell this House what specific studies and analysis are being done in this province? When will he have clear information available for this House as to when we could implement such a smart-card technology in the province of Manitoba?

Mr. Orchard: Mr. Speaker, we may have some clearer implementation strategies including costs and implementation time frame later on this year.

Northern Health Care System Mammography-Chemotherapy Services

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, on another health matter, news from Thompson is certainly worrying today. We have reports from our colleague the member for Thompson (Mr. Ashton) who reports back from his community that concerns are grave about the possibility of the loss of mammography services and chemotherapy services in that community. There is clearly growing demand as this community serves a broader region and brings in more specialties and specialists, those now in the neighbourhood of 20.

My question to the minister is: Given the valuable service provided by the mammography technology and the chemotherapy in Thompson, can he give us any assurances that these community-based services will not be lost to Thompson or the northern region?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, the issue first off of mammography in Thompson, my honourable friend will surely want to acknowledge, if she has such close communication with her colleague the MLA for Thompson, that the mammography program was introduced without approval for funding by the provincial government. That issue is very much in discussion with the Thompson Hospital. My honourable friend might know that for years and years and years,

introduction of new technology must be with the approval of the Manitoba Health Services Commission for funding from the Province of Manitoba.

Mr. Speaker, to deal with the issue of chemotherapy, it is my understanding that discussions are ongoing with the Thompson General Hospital and the commission to ascertain program costs, and we expect resolution of that issue.

Thompson General Hospital Regional Facility

Ms. Judy Wasylycia-Lels (St. Johns): I appreciate that answer and I understand the difficulties facing the minister in this whole area.

I am wondering if he could answer the question around the issue of Thompson being considered as a regional hospital, since it has now dramatically increased the number of specialists in that area. Is this minister now prepared to fund Thompson Hospital as a regional hospital and to fund it accordingly?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend with her broad knowledge of funding will know that there is no specific funding policy for regional hospitals. We simply do not have that, and that policy does not exist.

I want to tell my honourable friend that that is exactly why, in 1989 when Thompson had faced, I believe, six doctors for the entire community, this government aided by the Minister of Northern Affairs (Mr. Downey) and all members of this government, proactively worked through the Standing Committee on Medical Manpower—whose budget we doubled, Sir, just to provide these kinds of services—with the Thompson Hospital, the City of Thompson, the community to increase the numbers of physicians practising in Thompson to well over 20, Sir, a significant accomplishment for the community, the citizens of Thompson, and the Thompson Hospital.

That is exactly why we have encouraged through policy initiatives, through changes in the Northern Patient Transportation Program, policies which we hope will encourage the use of those services in Thompson, instead of having people flying to Winnipeg and avoiding the use of a fine facility, well-established physicians and other specialists in Thompson.

Ms. Wasylycia-Lels: The notion of funding hospitals on a regional basis may not be government policy, but it is a recommendation to the minister in the northern health care task force report going back to October 11, 1991.

I am wondering if the minister is prepared, on the basis of this report, to recommend funding for Thompson as a regional hospital, thereby dealing with some of these difficult problems pertaining to mammography and chemotherapy services.

Mr. Orchard: Mr. Speaker, without having a definitive policy describing hospitals as regional hospitals or otherwise, the province undertakes the delivery of specialist programs in areas of the province outside of the city of Winnipeg. That, Sir, is why we funded and placed the dialysis program in Thompson General Hospital, a program that was requested for several years. I do not know for whatever reason, but those requests were not acceded to until a Progressive Conservative government cared for Thompson and northern Manitobans and put in that kind of a program.

Rural Economic Growth Employment Creation Strategy

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, my question is for the Minister of Rural Development.

Statistics Canada figures are showing us that the population in rural Manitoba is dropping. In fact, it has dropped below 1986 levels. Towns are dying. Our young people are leaving because there are no jobs. There is no commitment from this government to create jobs in rural Manitoba either. This government has said in all its throne speeches that they are committed to stimulating the rural economy, but they have failed on decentralization and the only money that is being raised is raised on the backs of rural people.

I want to ask the Minister of Rural Development: When is he going to convince his colleagues to put their money where their mouth is and start investing in real jobs in rural Manitoba?

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, I am more than happy to answer this question.

First of all, let me assure the member that this government has taken some very significant steps towards revitalizing the rural economy. Mr. Speaker, allow me an opportunity to just explain a

couple of the initiatives that have been implemented.

The member speaks about decentralization, Mr. Speaker. As of today, we have decentralized some 520 positions into rural Manitoba. Another 134 will be decentralized very shortly, all of this under decentralization. I can tell you that in communities like Winkler, Dauphin, the people who have been decentralized in Neepawa and Minnedosa, the effect is positive. The people who are working in those communities are positive. They are happy they are earning their dollars from that community.

Mr. Speaker, additionally, we have implemented the Grow Bond program. Just the day before yesterday, we announced a new Grow Bond sale in Teulon. A company that will come into Teulon will create 50 new jobs—50 new jobs in rural Manitoba. Another example is the Rimer-Alco Corp. in Morden that will have 16 new jobs in that community as soon as that is finalized. So, Mr. Speaker, we are taking action, and indeed far more action than was ever taken by the former administration.

Decentralization Status Report

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, I do not understand how this minister can boast about decentralization being support for rural communities. How can he explain then, if decentralization has been so good, that we see the number of civil servants drop dramatically in rural Manitoba? There are less civil servant positions in Dauphin, The Pas area in 1992 than there were in 1988. How can he justify, when he is saying that decentralization—

Mr. Speaker: Order, please. Your question has been put.

Hon. Leonard Derkach (Minister of Rural Development): The reality is that we have decentralized 520 positions currently to rural Manitoba. Mr. Speaker, 520 positions that are right through rural Manitoba earning their pay cheques in rural Manitoba, serving the rural community, and indeed making their homes there.

Mr. Speaker, what the member does not realize is that this province has been in a recession in terms of the rural economy. What has been happening to the farms? That is why this government went into the GRIP program, to assist farmers and to ensure that the economy can be stimulated in rural

Manitoba. That is why we undertook programs like the Grow Bonds program, the REDI program, decentralization, Community Choices, and the list goes on and on.

So let not the member indicate to this House that nothing has happened from this government.

Regional Development Corporations Funding

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, when the minister tells us how many jobs were decentralized, he should also tell us how many civil servants' jobs were cut in rural Manitoba.

My final question to the Minister of Rural Development is: If he is offering such supports for rural communities, can he tell us why he has allowed the funding for RDCs to drop to a level lower than it was when the NDP was in government? In 1987, the funding was at \$609 million. It is now down to \$593 million.

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, I do not think we are spending \$500 million on RDCs.

If the former administration had not left this province the legacy of a debt like they did, today we would be happy to forward more money to regional development corporations. Even under the economic constraints that we have to work within, we have still allowed for a new development corporation to be established, and that is the West-Man Development Corp. which will be receiving \$93,000 this year.

* (1410)

Mr. Speaker, we have increased the share of responsibility of this government to RDCs to a 75 percent-25 percent split, where it was 70-30 before. So, indeed, in economic times such as we are living through, we have been able to maintain our commitment to RDCs in this province.

Free Trade Agreement Government Support

Mr. Reg Alcock (Osborne): Mr. Speaker, in 1985, the G-7 countries of which Canada is a member, working through the organization for economic co-operation and development, established the industrial production index. They did that to have a measure to examine the rate of industrial production among all seven countries. In 1985, it was set at a hundred. By 1988, Canada was in the middle of the

pack. It had been ahead of the U.S. It had been behind the U.S. It had been ahead of France. Since 1988, Canada has fallen to the lowest position. It is last of the G-7. The differential in 1988 between Canada and the U.S. was less than 2 percent. Today it is almost 14 percent.

Now my question to the Minister of Finance is this: He has consistently supported the U.S. Free Trade Agreement since its inception. I believe, in looking at these numbers, that they indicate now that this deal is not working.

I would like to ask the minister if he will reconsider his support for this agreement.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I understand indexes. Of course, there is tremendous subjective weighting around all indexes. Let me say, during that period of time of which the member indicates, the Canadian dollar was well below 80 cents for a large period of time. Certainly, governments nationally and provincially across this land were borrowing huge amounts of money and contributing, obviously, to economic generation on the basis of borrowed money.

So I would think that any regression analysis that would be done today that would attempt to draw some conclusion as to this period of time versus a previous period of time and the impact of free trade today versus the past would have some difficulty, have some grave difficulty, making any type of strong conclusion as to the well-being and the result of the free trade association.

I would say, Mr. Speaker, given the realities of today, where the Canadian dollar still is beyond 80 cents, given the realities where provincial governments and the federal government do not have the capacity to borrow money in the fashion that they have, and the consumers do not have the capacity to borrow money in the fashion they did, that any comparison would be misleading.

Impact Industrial Production

Mr. Reg Alcock (Osborne): Mr. Speaker, this is a minister who lives on promises and denies reality.

The promise that this minister brought to us was that the signing of this deal would improve industrial production in this country. The reality is we have fallen from the top half of the pack to the bottom. We are seven out of seven.

Now will the Minister of Finance explain to this House why it is that he believes that the Free Trade

Agreement has had no impact on industrial production in this country?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, as I remember, Donald MacDonald, a former great economic guru of the federal Liberal Party, was also a very staunch supporter of the Free Trade Agreement.

Anybody who understood, and understood where industrial make-up was going in this country, realized full well that our cost of production and indeed our competitiveness was falling very much behind every other industrial nation in the world, and indeed that there was a major readjustment required. Unless there was some public policy that was going to cause that adjustment to occur, the time would be coming when even greater numbers of people would be out of work than is unfortunately the case today.

I am not here to defend free trade—[interjection] No, that is not my purpose. I am the Minister of Finance for the Province of Manitoba, one trading province out of 10 in Canada. We understand that our well-being as a province comes from our trade with the U.S. and other jurisdictions in the world. But I say to the member, obviously, our firms have to become more competitive—have been. They are going through major restructuring now. There is some fallout from that, but the time is forward over—I would say, from the last half of '92 into '93 and '94 will manifest themselves and indeed there will be greater security of employment during that time.

Government Support

Mr. Reg Alcock (Osborne): Mr. Speaker, the policy is failing. It is failing. This is the Minister of Finance for the Province of Manitoba, and I would like to ask him this question. He and his colleagues are currently supporting the North American free trade agreement. In light of the evidence that is now available after three years of the FTA, his government can take a strong stand. They can stand up and say to the federal government that they do not support the NAFTA. I would like to ask the Minister of Finance if he is prepared today to do that.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, this question has been asked ad nauseam in this House over the period of the last three or four weeks. Certainly the First Minister (Mr. Filmon) and the Minister of Industry, Trade and Tourism (Mr. Stefanson) have made our view and indeed the side we take on this issue very clear.

Mr. Speaker, there are six conditions. Six conditions of which, if neither are met or any of them are met, indeed we will not be a supporter of the North American free trade association, but furthermore, I point out once again, international trade is a federal matter and ultimately the federal government will make the decision on behalf of all Canadians and, of course, Manitobans are Canadians first.

Manitoba Heritage Federation Granting Authority

Ms. Jean Friesen (Wolseley): My question is for the Minister of Culture, Heritage and Citizenship. The last three years the Heritage Federation has been able to distribute on an annual basis over \$600,000 to Manitoba communities. This year, under the minister's direction, under her patronage, it is proposed to distribute \$400,000. I want to ask the minister, since Lotteries monies are not declining, where she proposes to put the extra \$200,000.

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship): I think the issue that we have to deal with in dealing with the Heritage Federation and any other mechanism that is put in place to distribute funds to the heritage community is No. 1, that if, in fact, we can run a grant program to the heritage community at \$100,000 less in administrative costs than the Heritage Federation was doing, ultimately the heritage community is going to receive \$100,000 more in funding to the grassroots community for projects and programs. I want to make that clear, Mr. Speaker, that the intent of changing the funding from the Heritage Federation indeed to another body is to reduce administrative costs, and less administrative costs means more money to community organizations.

Heritage Community Public Consultations

Ms. Jean Friesen (Wolseley): Would the minister make a commitment to the House to hold province-wide public consultations in order to develop the basic heritage policy framework that she would not convey to the Heritage Federation and that she refused to convey to this House when asked?

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship): Mr. Speaker, I have committed to a consultative process throughout the

province of Manitoba, which will be undertaken so that, in fact, the community will have input into the new grant process.

Manitoba Heritage Federation Information Tabling Request

Ms. Jean Friesen (Wolseley): Mr. Speaker, will the minister table the letters that she claims to have received applauding her policy of withdrawing funding from the Heritage Federation? Will she table those letters in the House?

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship): Mr. Speaker, I do know that within the community there are people who applaud the decision that this government has taken—

Mr. Speaker: Order, please.

Mrs. Mitchelson: Well, I know I hear the member for Inkster (Mr. Lamoureux) saying that we should table the names. I do know that without people's permission he has leaked names to the media which has caused problems in other areas. Mr. Speaker, I do not condone that kind of behaviour.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. I remind the honourable minister—order, please—to deal with the matter raised.

Point of Order

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, on a point of order, the minister is impugning false motives, and if anyone should be tabling the names of this support that she claims that she—

Mr. Speaker: Order, please. The honourable member for Inkster does not have a point of order. It is a dispute over the facts.

* * *

Mr. Speaker: Order, please. I had recognized the honourable member for The Maples. The honourable Madam Minister was not finished with her response? The honourable minister to finish her response, briefly.

Mrs. Mitchelson: Mr. Speaker, if I might continue to respond to the question that was put, in fact, there have been people who have written the member for Inkster (Mr. Lamoureux) indicating that they agree with the government, with copies to both the official opposition and to government.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. The honourable member for Wolseley (Ms. Friesen) has put a question to the honourable Minister of Culture, Heritage and Citizenship, and I would ask the honourable minister to deal with that matter raised.

Mrs. Mitchelson: Mr. Speaker, I guess the member for Wolseley and her party, along with the Liberal opposition, will have to determine where they stand and where their party's policy would be. Do they, in fact, want to see more money going to administration, or do they want to see more money going to the heritage community? They are going to have to make up their minds.

* (1420)

Mr. Speaker: Time for Oral Questions has expired.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): The Supply motion, I understand that the Department of Agriculture Estimates will begin in Room 255.

Mr. Speaker, I move, seconded by the Minister of Northern and Native Affairs (Mr. Downey), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to, and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for St Norbert (Mr. Laurendeau) in the Chair for the Department of Agriculture; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Education and Training.

COMMITTEE OF SUPPLY (Concurrent Sections)

AGRICULTURE

Mr. Deputy Chairperson (Marcel Laurendeau): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will be considering the Estimates of the Department of Agriculture.

Does the honourable Minister of Agriculture have any opening statements?

Hon. Glen Findlay (Minister of Agriculture): Mr. Deputy Chairperson, it is a pleasure for me at this time to introduce the Estimates of the Department of Agriculture for 1992-93. These Estimates reflect

the Manitoba government's commitment to address the needs of our farmers and the rural communities, to build a stronger, more viable agriculture and food sector in Manitoba.

Manitoba farmers are currently experiencing difficult economic times. I think that goes without saying, but certainly we do see a few positive indicators. I think it is fair to say that the farmers in the province of Manitoba want to think positively, want to think that things will get better in the future as opposed to more of the past four or five years where they have seen significant difficulties with droughts, high interest rates and trade problems, no GATT resolution, low grain prices. There are a number of problems that have emerged.

Some of the signals we see are: certainly, a higher percentage of producers have been able to make their payments on time with MACC; there has certainly been a reduction in the number of cases coming before the Manitoba Farm Mediation Board; and the realized net income projected for 1992 is about \$360 million, certainly a significant increase over the \$245 million last year and the \$191 million the year before.

This \$360 million of realized net income that we see for 1992 is exactly the same as what we had in the last four years of the 1980s, a period from '85 to '89, where the average realized net income was around \$360 million a year.

That is a level of realized net income that can keep our farm community relatively satisfied. It is not something that they are going to get rich on or going to prosper on, but when we look back to the late 1980s, those were not such bad years compared to the years of 1990 and '91.

Some of the other positive indications that farmers see are that certainly in Manitoba we have as good a moisture supply going into the 1992 crop year as anywhere in North America—good snow and good rain, so it gives farmers optimism for the future.

The rate at which grain has been exported this year will undoubtedly lead to a record. The previous record that we had was around 30.7 million tonnes exported in the crop year 1987-88, and it certainly looks, in terms of the rate the Wheat Board is selling it right now, that they should export more of that and maybe up around the 32-million mark.

This is rather surprising given that we had a strike back in September that really slowed the system down and almost paralyzed it for three weeks, but it is a compliment to everybody in the industry that

they were able to overcome that and get on with selling grain around the world.

* (1440)

Another factor is that the demand for grain in the export market has certainly improved. It is about 92 million tonnes last year and 106 million tonnes this year. We have about 20 percent of that market, so we are doing quite well. Certainly there has been some upward movement in grain prices, which gives farmers again some little bit of optimism for the future.

Just so people know what has been happening to grain prices, I would like to give the Wheat Board prices going back to 1986-87. We were running around \$130 a tonne total payment for '86-87; \$134 a tonne for '87-88; up to \$197 a tonne in '88-89; \$180 a tonne in '89-90; in 1990-91 it dropped to \$135 a tonne, which, over that five-year period, had an average price for wheat through the Wheat Board \$155 a tonne.

The initial price for the crop 1991-92 was \$95 a tonne, so about \$60 a tonne less, or about two-thirds of the actual price of the five-year average previous, which is quite a drop. The projection for the 1992 crop year looks like the initial price could be above the \$95 of a year ago, maybe as much as \$20 above. We sure hope that is the case.

The other little bit of positive is that in the process over the last few months the Wheat Board has announced two interim price adjustments, one \$6 a tonne, the other \$8 a tonne. So the producer is now getting the initial price of \$109 a tonne. That gives farmers some sense of optimism for the present and the future.

Certainly, the combination of improved market prices and enhanced market opportunities and the safety net programs are combining to aid farmers during these difficult times.

In Manitoba Agriculture, we tend to have a total net income—cash income, I guess you would say—at the farm gate of around \$2 billion. It was a little less than \$2 billion the last two years, and this year it is going to be about \$2.1 billion.

Generally about half of that comes from the livestock sector and the other half from the crop sector. This year \$500 million of that \$2 billion cash income at the farm gate is going to come from safety net programs. We are talking safety net programs like GRIP and NISA and National Tripartite Stabilization.

Certainly, farmers are encouraged by the drop in prime interest rates from the previous year. Generally speaking, farmers are paying just about half of what they were paying a year ago for money that they have to borrow.

We are also seeing some signs of positive action in terms of machine sales. It seems that the sales are up over the last year, not dramatically up, but up in terms of making that sector feel a little more positive about agriculture in the future.

A few other critical components of Manitoba Agriculture's contribution to the economy, I would like to put on the record. The first is that agriculture and agriculture-related industries make up 11.1 percent of Manitoba's gross domestic product. For every dollar of net income produced by primary agriculture in Manitoba, \$1.71 is generated in the overall provincial economy.

Approximately, 12 percent or 70,000 jobs are contributed to Manitoba's labour force through agriculture directly and indirectly. In other words, about one job in eight in Manitoba is due to agriculture.

The GATT negotiations will have a significant influence on the future of Manitoba's agriculture and food economy. We have worked closely with the federal government and farm organizations in reviewing the GATT draft of proposals presented by Arthur Dunkel and will continue to work with the federal government in assessing various alternatives that come forward.

The Manitoba government's position calls for clarification of strengthening of Article 11, a substantial reduction in all trade distorting subsidies; thirdly, increased access to international markets; fourthly, clearer trade rules that apply equally to all countries; and fifthly, a framework to prevent the misuse of health and sanitary measures as disguised barriers to trade.

The degree of success that we may have will in large part be based on the support we receive from other nations and the changes which they may be pressing for.

The Dunkel proposal contains significant benefits to the grains or oil seeds and livestock sectors. The proposed reductions in export subsidies will support improved prices for grains and oil seeds. The minimum access provisions will certainly improve export markets for red meats.

In the area of transportation, the Manitoba government continues to participate in the federal view of Canada's transportation policy with a shipment of farm commodities. When we are talking transportation, one must never forget that in Manitoba we do export a good 60 percent of all our agriculture production. In the case of wheat, it is about 80 to 90 percent that has to be exported. In terms of an exporting region of the world, we are the furthest from salt water of any other grain producing area of the world. So transportation is a big issue for us, both in terms of access to the system and in terms of cost.

In January and February of this year, a consultant, Peat Marwick Stevenson & Kellogg, conducted this series of workshops across Canada to record the viewpoints of all stakeholders. In all, 24 of these meetings were held in Manitoba. The consultant's report summarized what was heard at these meetings and was submitted to the Ministers of Agriculture on May 4. The document was also made public at that time.

At the direction of First Ministers, the Ministers of Agriculture have developed a timetable for a review of transportation policies. Further work on these options identified by the public meetings will be done over the next few weeks for consideration by ministers at their annual conference in July.

With regard to the 1990s the Manitoba Department of Agriculture has recently published its Vision for the 1990s, the department's blueprint for the balance of this decade. I was pleased to forward a copy of this document to both the opposition critics a few weeks ago. The foundation for developing a vision came from an extensive consultative process called the strategic management review, a major department undertaking lasting over a year. Through this process we extensively consulted with our strategic partners for reviewing our strategy alternatives for addressing the needs of agriculture and the food sector. Strategic partners who participated within this process included farmers, producer organizations, researchers, agri-business, consumers and other levels of government.

The broad goals of the Vision were three. Firstly, to assist the agriculture food sector to shift away from its past emphasis on commodity production towards sustainable and yet diversified, value-added and market-oriented industry. Secondly, to strengthen a broader producer

risk-reduction systems to cushion farmers against price and yield fluctuations, for instance, crop insurance, revenue insurance, tripartite stabilization and NISA. Thirdly, to strengthen Manitoba agriculture's client orientation. Our clients who are our customers are No. 1, and serving them is the prime reason why our department exists.

Department management staff are currently reviewing the Vision with respect to applying the Vision goals within our respective program areas. Although the Vision was just recently released to both the public and the department staff, the department has embarked those initiatives of thrust towards realizing the Vision's goals.

Some of these initiatives and thrusts involve the following program areas. An area of risk reduction measures: The department in conjunction with the federal government and producers entered into comprehensive safety net programs, gross revenue insurance program, NISA and certainly other tripartite stabilization programs.

The second initiative under the Vision was sustainable development, and as part of Farming for Tomorrow program staff continue to assist local organizations, some 44 across the province, promoting sound soil conservation practice throughout agriculture in Manitoba.

The third initiative is marketing and market orientation, and regional staff continue to assist producers in establishing local marketing clubs. Participants using their own farms as a case study developed basic marketing skills primarily in the areas of livestock and grain. Each marketing club is usually composed of around 10, 12, 15 producers.

Fourthly, we look forward to working with our strategic partners and moving our vision into a reality, a reality aimed at improving the economic and personal well-being of all those participants within the agriculture and food sector.

I would like to remind my critics that although it is called the Department of Agriculture we often use the term agriculture and food, because we have to realize that what we are producing has to satisfy a customer and their satisfaction is in the food that they eat. So we always like to link agriculture and food, and I think in that fashion it has a better ring in the ears of the consumer who is the person we are looking to for support through the process of the use of tax dollars in this budget that we are bringing forward today.

Some of the budget highlights—certainly we will talk about them in the course of the Estimates review, but during these tough economic times the Manitoba government has found itself having to make some difficult budgetary decisions. With no revenue growth and the high cost of servicing accumulated deficits, the province has struggled to maintain its fundamental health, education and social services. In spite of the current budgetary constraints faced by the province the 1992-93 budget for Agriculture was increased by some \$23.3 million from the previous fiscal year. This figure represents about a 21 percent increase in budgeted expenditure from the past fiscal year. That is an increase in budgetary expenditure from \$112.4 million to \$135.7 million.

This year's budget fundamentally will enable Manitoba agriculture and its associated Crown corporations, MCIC and MACC, to maintain essential front-line services to producers in rural Manitoba, to maintain all existing tripartite programs, to not only maintain but to expand and enhance other risk reduction programs. To a significant extent the \$23.3 million increase reflects the government's commitment to address the immediate needs of Manitoba producers during this current difficult period of low farm income.

*(1450)

More specifically, this figure essentially represents a new injection of provincial government funds into the GRIP program and the NISA program. With regard to GRIP the 1992-93 budget is increased by \$15.8 million or 36.7 percent from 1991-92 adjusted vote. In other words, the budget for GRIP has been increased to \$58.8 million from last year's budgeted expenditure of \$43 million. For the 1992-93 year, approximately \$11.5 million in funding has been budgeted for the NISA program. Because of the timing for launching of this new program, we were unable to budget NISA expenditures within the '91-92 Estimates brought before the Manitoba Legislature.

NISA provides producers with comprehensive, predictable and individual target income stability. Participating farmers will realize increased income stability and then income from making withdrawals on the respective NISA accounts when their income falls below certain thresholds.

Just in concluding comments, I would like to say to my critics that in the agriculture industry over the last four years, it has not been easy times in terms

of the issues that have come forward. Resolution of many of those issues still remain on the table. Since we are so heavily dependent on export trade, one of the major issues that we have to have resolved, if we are going to continue to grow and prosper in agriculture in western Canada, is to have a GATT resolution.

That process started back in 1986 in Uruguay, which was to have concluded by December of 1990, was suspended, and we have gone through 1991 without any constructive resolution. We are now well into 1992 and any guidepost towards seeing a resolution has not been met. Dates have been set. Timetables have been set. Nothing has been achieved in terms of a conclusion that we could see as positive for Manitoba. I say in all sincerity that until there is a GATT resolution, great uncertainty is going to remain in agriculture in Manitoba and western Canada.

There is no question that the export market is critical to us. As I said earlier of wheat, we export 80 to 90 percent, and if you do not have some sanity in that export market I do not know how we can survive forever. A good portion of the income now comes from the taxpayer; we always have to wonder how long the taxpayer will continue to be able to support us at the extent they are.

The safety net programs that have been evolved are continuing to evolve and trying to meet the needs of the industry. I think, although the safety nets are now used as a means of offsetting international trade difficulties that are lowering prices, they were never designed to do that. They were designed as an interim measure between now and that GATT resolution that caused recovery in international grain prices.

Certainly within the industry of agriculture in Manitoba, we have done, over the last number of years, a fair bit of diversification. A fair bit of value-added industry has developed around livestock and special crops. The way of the future in my mind is to continue to economically diversify and produce commodities for which value-added opportunities exist.

For the whole equation to work it is absolutely essential that the end product be economically sold in some marketplace inside or outside the country. All producers want to have their income from the marketplace. There is no question. I hear that repeatedly. But they do want the support of

governments, provincial and federal, in this country to survive the uncertainty they are facing.

I also sense that there is a strong desire amongst the nonfarm population to support the farmer. As I said earlier, whether this can continue forever remains to be seen. We all hope and expect that the marketplace will allow our producers to survive in the future. So that is why a safety net has been set up and why they will continue to evolve.

We in the province of Manitoba right now have a major review of crop insurance going on. Ten people have been appointed to it, representing all regions of the province. They have yet to report. The GRIP program, under the national signatories committee, is undergoing a national review at this time towards looking at changes for 1993.

So with those few comments, Mr. Deputy Chairperson, I would like to say I welcome the opportunity to discuss the realities of our industry, the difficulties we face, and to say to the members, we have to work together to find resolutions to some of our difficulties, because if we do not, the farming industry is at great risk in this province in the future. Thank you.

Mr. Deputy Chairperson: We thank the honourable Minister of Agriculture for those comments. Does the critic from the official opposition party, the honourable member for Dauphin, have any opening comments?

Mr. John Plohman (Dauphin): Yes, thank you, Mr. Deputy Chairperson.

I, first of all, want to just comment briefly on a few of the comments the minister made with regard to the reference to food. I thought perhaps there may be some move to change the name of the department to "Agriculture and Food." I believe it is called that in a number of provinces at the present time, Agriculture and Food, since he did mention that.

I think, first of all, the minister said the strategic planning document was handed to the opposition critics. I have consulted with the Liberal opposition critic and —

An Honourable Member: I mailed them to you.

Mr. Plohman: Well, I have not received them. I wanted the minister to know to this point I have not seen that document that you referred to. I remember seeing a similar document last year. I believe this is revised?

An Honourable Member: This is a new document.

Mr. Plohman: Well, there was some strategic planning document that has been in place and the minister had his objectives for the department and so on that was handed out to the opposition critics in the past. Whether this is a completely revised document is something I am not sure about, but I have not seen this year's. Maybe the minister would check where that went.

I agree with the minister that there has been a very difficult time in agriculture over the last number of years. There seems to be a more optimistic feeling at this time out in the rural areas of the province. Perhaps it is just a feeling that we have bottomed out and any news is good news in terms of going up even if it is very incremental and small. When you look at, for example, wheat prices as a yard stick going up by \$14 a tonne, when you look at the average and look at where we were in '86-87 and certainly '88-89, we are a long way from that yet. I do not think farmers were getting overly wealthy on what they were making at that time.

We have a long way to go but even a small step up is a positive step and perhaps an indication why there might be that optimism out there at the present time, but it is certainly a very shaky recovery at this particular time. I guess just like our recovery in all aspects of the economy is at this time, it is very shaky if indeed there is a recovery.

The Conference Board of Canada has recently said that we are going to be bordering on a recession at least for the duration of this year yet. The agriculture component is probably one of the reasons why we are still in a recession at least in western Canada. It has a very significant impact on our economy.

In any event when we go through the Estimates we are going to be raising a number of issues with the minister. We hope that we can have some light shed on for us, particularly GRIP and the problems associated with it. There have been many suggestions for change to improve it. Some were made by various groups and individuals last year when it was being designed.

The government chose to go ahead at that time and since that time there has been widespread agreement by many that there are some serious inequities in the program. We want to see whether the minister agrees with that and whether he is pushing for a fairer program that will reflect fairness from farmer to farmer and region to region in this province.

Certainly there is significant increase in the draw from the provincial coffers for the program. The minister has indicated some 36 percent up to \$58.8 million which is a significant increase and I guess would get us into the discussion that we have referenced in the Legislature dealing with the ability of the provinces to pay this kind of money, which is essentially a product of offloading from the federal government to some extent.

I had asked the Premier (Mr. Filmon) about this in a question on Tuesday when the Minister of Agriculture was not present at the time that I asked it, dealing with the fact that we negotiated in a situation of great difficulty for the province of Manitoba with our sister province Saskatchewan moving towards an election and perhaps not that concerned at the time about how much money it was going to cost the province and more concerned about getting a deal that they could sell politically. I am being kind to the minister in that regard because I think he should have attempted to resist harder the temptation at that time. But I believe that Grant Devine's election agenda cost Manitoba a lot of money, in some respects, on this issue.

* (1500)

I want to indicate to the minister that we are interested in improving this program. We want to bring forward the proposals and suggestions by various groups from the review committee. When McAuley had indicated the results of the meetings, that there were a lot of suggestions that came out of those meetings: where are they at, what is changed, what is being considered from small groups like a group in Gilbert Plains who had a public meeting and put a number of suggestions forward to the minister by way, I believe, of a letter from Audrey Stoski and a number of, I think, very good questions asked of the minister. Where is that? What is he intending to do with those proposals?

So this is a major issue for us to discuss, I believe. I will not take too much time here, so we can get into that. I see we probably will be into that during this session.

Insofar as the whole issues of orderly marketing, supply management and, of course, how it is going to be impacted by GATT negotiations, the whole issues of international trade, the North American Free Trade Agreement, the Free Trade Agreement and its impact, and as I mentioned, GATT, on our orderly marketing system in Canada are something

that we want to discuss with the minister in more detail.

The Manitoba Agricultural Credit Corporation, the current debt load interest rates being charged, those kinds of things are going to be of interest, because we do get a lot of calls from clients, from farmers out there who are concerned about what is happening with their debt load.

The issues of privatization, last year the minister had several examples. I mentioned this during a speech in the Legislature. He does have Bill 12 before the Legislature dealing with animal husbandry which, in fact, gives a reflection of the decisions that were made last year as it applies to the Semen Distribution Centre, and, I believe, as a result raises the whole issue of how successful the minister's initiatives were on privatization of a number of enterprises between the department, including the soil testing and feed testing and veterinarian drugs and semen distribution. We will want to explore with the minister where that is at.

Transportation issues are of great concern to us. We have raised this in the Legislature with the minister. We are very concerned about the proposal that he has made at the ministerial meetings. It is attributed to him with regard to his statements that there is a 50-50 split in Manitoba. So on that basis we should look at paying the Crow on the basis of the choice of individual farmers and from province to province, varying. I just think that is a recipe for disaster in terms of the crow benefit.

I have to say to the minister, the reason we have asked the question is we really question what the minister's motivation was to make that kind of a suggestion, because it is a recipe for unraveling that system. It is certain. The minister must have known that, and I can see of no other reason why he would have made it other than he wants to facilitate McKnight's agenda, which is clear.

He says he does not favour any method of payment according to recent headlines. On that basis, I would say it is no surprise at all that the whole purpose of initiating this study in the first place was he wants to get rid of it.

It costs \$1.1 million to hold a bunch of meetings, and he says, well, it does not really reflect what the farmers really think about it. This minister did not say that, that I heard, but the minister McKnight is quoted as saying that this does not really reflect the people that came to the meetings then, according to some analysis, some 70 percent—and I do not have

the volumes and volumes from those meetings; the minister might want to make them available to his critics if he has them, but we have not got them—according to research that was done, and the report in *Western Producer* on those meetings, in fact about 70 percent of the producers who attended the meetings across western Canada agree with the present method of payment. He is saying that, even though there were 130-odd meetings in Canada and \$1.1 million spent, that still does not represent because it did not give him the results that he wanted. It does not represent the feelings of the farmers in Canada with regard to the Crow benefit.

I am not sure that the minister is—you know he is playing his cards pretty close to his vest—quite solidly in the camp that wants to do away with the traditional method of payment for the Crow, and he may be tying it hand-in-hand with GATT, but we do not think that is a reason why we should be moving ahead on something to appease what might happen internationally.

We have done that in this country too often in the past, and we negotiate from a position of weakness. We should certainly be maintaining our programs until and if we have to change them, not moving ahead and therefore weakening our bargaining position in these discussions.

I do not buy the argument that because of GATT we have to change it. I think that we should maintain that method of payment; we should fight for it in Manitoba; and it is in our best interests of our producers in this province. So we take issue with some of the minister's statements there and will want to see if some of those can be clarified for us.

I agree with the minister when he says that all that the producers want is a fair income from their produce, from the marketplace, and I agree that he says that there is a willingness amongst the general population to support agriculture. I think that is clear.

Perhaps some of the awareness has come from the rallies that took place and the tension that was drawn to the plight of the farmers in recent times that, generally, I think the people in the city as well as in rural areas have rallied behind farmers in this regard.

I think the idea that was put forward was very telling by producers when they came with a loaf of bread and gave them away and said, all I get is three cents out of this, so you have to pay me for it because that is all a farmer's share. You see it is

what farmers are getting for their labours that is the issue here, not a cheap food policy necessarily, because people are paying, definitely not as much as in some countries for their vegetables, for their food, but they are paying a lot more in proportion than farmers are getting. The real problem is what farmers are getting for their labours and for their production.

In that respect I think that we want to see a fair price for farmers, and that is why we have advocated cost-of-production pricing. Ironically, if the minister had introduced cost-of-production pricing in GRIP, he probably would have saved money as it applies to lentils over the last year and this year rather than its costing more. It is always thrown back at us, well, we cannot afford cost-of-production pricing, whether it is too expensive or—[interjection] Well, the minister is saying, define; he wants to get into that debate. Now he knows that we have supply-managed commodities now where cost of production is defined quite nicely, and the pricing mechanism works quite well with milk and poultry products, and so on, so I do not know why he wants to reinvent the wheel on this issue.

What we have to do is, I believe, put in place a mechanism that assures fair pricing for farmers, and then the rest will take care of itself. That is really what we need, and yet I see—unless I am misquoting the minister, I believe he said that a safety net was not designed for a long term but was just to tide us through the difficult times. So, in fact, his objective with the safety net and those who have designed it, perhaps, has been different than what our objective would have been. If we come at it from that basis, maybe that would be one of the reasons why we would have some fundamental disagreements with how it is structured.

In any event, Mr. Deputy Chairperson, I will close because I know that the Liberal critic will have some comments, and then we will want to get into the discussion of the Estimates and look forward to a good debate on these issues.

Mr. Deputy Chairperson: We thank the honourable member for Dauphin (Mr. Plohman) for those comments. Does the critic from the second opposition party, the honourable member for St. Boniface (Mr. Gaudry), have opening comments?

* (1510)

Mr. Nell Gaudry (St. Boniface): Yes, Mr. Deputy Chairperson. Firstly, I would like to say thank you

to the minister for his opening remarks. Would it be possible to get a copy of your remarks?

Mr. Findlay: No, they are scribbled on the back—

Mr. Gaudry: Okay.

Since it is my first time as critic for Agriculture, I look forward to working co-operatively with the minister and the official opposition in regards to trying to help out the farmers who have been suffering for the last three or four years because, probably, of the recession. We will certainly be addressing the issues, going through the Estimates here.

Again, I would also like to say thank you to the minister for offering to be briefed on anything we wanted to discuss. The door is always open to his office, he has indicated that and I know it is. Anytime we have asked questions on this side, he has been fair, and I appreciate very much his co-operation. We look forward to doing the same thing.

Like I said, myself having come from a farm background a few years ago—

An Honourable Member: Sixty years ago?

Mr. Gaudry: Now, now, be nice or we will not give you a chance to ask questions. The interest is always there and, like I say, I am going to be very brief at this point. We look forward to going through the Estimates with the opposition and hope it will be positive criticism and informative for myself—like I said, it is my first time as critic of Agriculture—and I will be meeting and have met some of the groups already, and we will be looking forward to doing the same thing. I will be approaching the minister very shortly. I know he has been very busy in the last six months. After we are out of session, I will certainly be looking forward to going to his office and being briefed on a lot of the stuff that we will be going through.

That will be it for my comments today. I am looking forward to asking questions of the minister.

Mr. Deputy Chairperson: We thank the honourable member for those comments. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line.

At this time, we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff members present please.

Mr. Findlay: Mr. Deputy Chairperson, I recall signing letters to both my opposition critics with the Vision for the 1990s document, so if they did not receive it, I would like to distribute it to them today. It is a rather significant document. As I said, it took about a year of development with the various stakeholders throughout the agriculture industry, looking at, as I said, the Vision for the 1990s, a strategic map for the Manitoba Department of Agriculture. I highly recommend that they view those because they outline what all the stakeholders believe we should be doing as a department.

I would like to introduce staff who are presently up here with me at the moment: Greg Lacomy, Deputy Minister; Marv Richter; Les Baseraba; Doug Burch.

Mr. Deputy Chairperson: I thank the honourable minister.

We will now deal with item 1.(b) Executive Support: (1) Salaries \$430,900.

Mr. Plohman: There has been a change in staff here, I understand, Mr. Deputy Chairperson. There are still the same number of SYs in his office. Is that correct?

Mr. Findlay: Yes, that is right.

Mr. Plohman: So, does the minister have an EA and SA now? Who is filling those positions?

Mr. Findlay: Jeff MacDonald is the SA, and the EA is Monica Bazan.

Mr. Plohman: I have nothing else.

Mr. Gaudry: I do not know whether it is proper to ask this question at this time, but has there been any staff that has been moved in the Decentralization program out into the rural areas from the Agriculture department?

Mr. Findlay: In total almost 100 staff have been decentralized. If I remember the numbers off the top of my head MACC has been decentralized to Brandon. I believe that 23 positions were involved there plus eight other positions have been decentralized to four regional locations in the province.

Soils and Crops has been decentralized to Carman. I think there are some 26 positions there. Crown Lands has been decentralized to Minnedosa, 16 positions there, plus a few other positions here and there but those are the three major ones.

I should throw another one in, tripartite group was established in Portage with eight positions. That is

the major components but there was, say, roughly close to 100 positions in total in the decentralization, and the exact figure we can get for you later.

Mr. Gaudry: Are you looking at decentralizing more staff from the department into the rural area?

Mr. Findlay: When we started this process we had about 50 percent of the department staff inside the city and 50 percent outside. At this stage right now we have about 70 percent outside and 30 percent inside.

Whether there will be any more decentralization will be determined in the future, certainly working with our stakeholders to see whether we are doing the best job of most effectively serving our clients with our staff located where they are at. I can tell the member that there is nothing in the works at this time, but that does not mean that further considerations will not be given some time in the future.

We also believe that the process of decentralizing those full units to those locations has been quite positive for the improved relationship with our clients, closer contact and closer to where they can do the best job of serving our clients.

Mr. Plohman: Yes, since these questions were asked here, Mr. Deputy Chairperson, I just want to ask the minister if he could perhaps table a list of those that have been decentralized as opposed to those that were planned, the numbers of staff that were announced for Agriculture and the number that have actually been decentralized.

How many of those jobs, those positions were filled, were people transferring from the existing positions to the communities that they were being transferred to or how many were filled from competitions locally? In other words how many local jobs may have been created in those situations?

It does not have to be received right now but if the minister could just bring that to us perhaps next time we sit, that would be fine.

Mr. Findlay: Okay, I will bring it next time. I have just got the total list in front of me now. It is 95 positions. I said close to a 100, it is 95 positions. Twenty different locations in the province totally involved.

But I will bring that list next time. You want the list of those that were proposed, those that were actually done and the portion of the jobs that are out there that were filled locally? Okay.

Mr. Deputy Chairperson: Item 1.(b)(1) Salaries \$430,900—pass; (2) Other Expenditures \$74,100—pass; (3) Policy Studies \$75,000—pass.

Item 1.(c) Financial and Administrative Services: (1) Salaries \$1,091,300—pass; (2) Other Expenditures \$410,600—pass.

Item 1.(d) Computer Services: (1) Salaries \$256,000—pass; (2) Other Expenditures \$58,000—pass.

Item 1.(e) Personnel Services: (1) Salaries \$282,400—pass; (2) Other Expenditures—\$18,400.

Item 1.(f) Program Analysis: (1) Salaries \$191,800—pass; (2) Other Expenditures \$9,900—pass.

Item 2. Manitoba Crop Insurance Corporation (a) Administration \$4,348,100.

* (1520)

Mr. Plohman: I just want to first indicate that the Liberal critic indicated to me he wanted to leave and he may have some questions.

Mr. Gaudry: No, it is okay.

Mr. Plohman: Okay, this is, of course, the major area for the department. It has increased dramatically in the last couple of years with the advent of GRIP being included in their jurisdiction, and certainly it gives rise to a great deal of discussion, I believe, in terms of policy as it relates to GRIP.

I would like to perhaps start with asking the minister to just give a brief overview of the operation of GRIP under crop insurance in its first year, and what major difficulties he has been experiencing with it—just in a brief synopsis form that he could give us, and then we will maybe have some specific questions to the minister.

Mr. Deputy Chairperson: At this time, I just want to take a moment just to revert back to item 1.(g) Less: Recoverable from Other Appropriations \$47,500—pass.

Mr. Findlay: Yes, now that we are into the crop insurance area, I would like to introduce three staff people that are with us now: Henry Nelson, the General Manager; Neil Hamilton, the Director of Research and Program Development; and Henry Dribnenky, Director of Finance and Administration. Henry is just a recent addition to the corporation, and I welcome him to his first Estimates.

The member has asked for a general overview of the revenue insurance program. I guess I would like

to start back in the process of developing the program. As I said in my opening comments, when the process was in discussion through the safety net task force back in late 1990 and on into the beginning of 1991, there was strong desire in the farm community to have some greater predictability of income because the grain prices were low and the trade war was at its peak.

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

There was strong expectation that the GATT process would evolve in leading to a resolution that would take care of that trade problem, and that we would expect three or four or five years of slow and steady grain price recovery. It would give farmers the kind of income at the farm gate that they can survive on.

I guess for discussion purposes it is always best to use wheat which is our major crop. It is the one that we export the most of and the farm community has seen wheat prices fluctuate at the farm gate. I gave the Wheat Board prices earlier, and when it got up to \$5, they were making real good money. When it was dropped down to \$3, they were not surviving very well, and that is where it was in 1990.

There was a need to have stabilization that had wheat prices around \$4 a bushel. We expected, as I said earlier, that the GATT process would return those farm gate prices from international markets sometime in the future.

In the development of the safety net program, there was a committee of some 33 people; 19, I believe, were producers who spent many hours, many meetings all across the country and brought forth recommendations to Ministers of Agriculture, federally and provincially, in late 1990 to put this program in place for 1991.

The two things that producers wanted very strongly was predictability and individuality. The question was on what base to establish the program. They chose the only base that existed, and that was crop insurance information, and based price support on top of producer's individual yield that he had established with crop insurance. The process of implementation required a lot of staff time. The corporation has worked very hard, very aggressively to get the information to producers prior to the 1991 crop year and, over the course of that crop year, to get the various pieces of information from the producer in terms of preliminary

production, final production report and to get the payments out.

We also mobilized a lot of staff from the Department of Agriculture to assist in that process. It was not an easy process. It all had to be done yesterday, and there was certainly frustration on the part of staff, on the part of farmers along the way. But I congratulate them all for being able to put a program in place as rapidly as had to be done, with all the uncertainties that existed over various decisions that were ongoing.

In the fall of 1991 we paid out \$120 million in interim payment, and in the spring of 1992, the second interim payment was again about \$120 million, which means that under revenue insurance, now, we have paid \$240 million to the farm community of Manitoba.

The projection at this time is that the final figure, after the final payment is made, probably in January of '93 for the 1991 crop, we will have paid out about \$320 million. That is today's projection for the final. What the final will be will be determined on what the final grain prices are going to be, and that is still unknown, particularly Wheat Board prices. The reason we cannot make the payment until about January of '93 is that it is not until then that you really know the final Wheat Board payment.

The member asks about the process, and that has been the process. The 1992 program is in place now. Probably the biggest difficulty we had for '92 was establishing the 15-year IMAP price. In 1991, the wheat IMAP price was \$4.15. If we had followed the federal interpretation of the agreement, the support price for wheat in 1992 would have been \$3.84, I believe? It would have been \$3.84, which was a substantial drop in income for the farm community.

I argued that I interpreted the agreement differently, that the two-year lag meant there had to be a full two years between the last of the 15 years and the crop year we are going into, and eventually won that argument so that the support price for wheat this year is \$4.08, instead of \$3.84. I think that is a substantial improvement in terms of income support for the farm community.

With regard to a lot of questions that came up about the crop insurance program and methodologies and so on and so forth, we put in place a Crop Insurance Review Committee of 10 people who have had public meetings across Manitoba in the course of the past few months and

will eventually be making some report in the coming months. We expect to use that report leading into 1993 year.

As I said in my opening statement, there is a national signatories committee which is in place to manage the GRIP program. It has producer representatives, I believe eight, nine provincial representatives and four federal representatives. It is the job of that committee to make recommendations on changes to the program on an ongoing basis.

That national GRIP signatories committee now has a review in place of the successes and problems of GRIP in '91 and '92, to make recommendations for '93 and beyond. They will eventually be making some recommendation to ministers, probably at least an initial recommendation at the beginning of July when all of us meet in Nova Scotia, I think it is the 5th and 6th of July. So it is an ongoing program being evolved on recommendations from the stakeholders: federal, provincial people and producers.

* (1530)

I guess I would have to say I have been personally disappointed that the Saskatchewan government made the decision they made in terms of this very significant alteration of the program that they did there, because we would like to have seen a national program, and if not a national, at least a western Canadian program. In Manitoba and Alberta the principles of predictability and individuality exist in the program. In Saskatchewan, their changes made for the reasons known to them take those two principles away quite substantively. How individuality and predictability—in Saskatchewan you are using an area average of a basket-of-crops approach, which does not allow a farmer to know in the spring what his gross revenue guarantee will be for himself or for any of his crops. As the signatories committee goes through its review, I do not know how they are going to be able to lead us in the direction of a western Canadian or national program, which is the first objective they have, with the changes that have occurred in Saskatchewan.

As I say, the program is evolving. We have attempted to stay with those principles as best we can, and that is why we have budgetary increases in the program in Manitoba. I know that they have budgetary decreases in Saskatchewan. So we think we have maintained the support to the farm

community as best we can in the process of the international difficulties we face.

Mr. Plohman: There are a lot of issues to deal with here. The minister said at the beginning that there was a need to establish prices at around \$4 a bushel to ensure that there was an adequate income for farmers. He realizes, though, that it is the amount of revenue insurance that an individual farmer can buy that determines how much money he can get per acre, he or she can get per acre on this. If he is only able to insure, regardless of what the price is, for 15 bushels per acre or whatever the case may be, he is not going to get as much money for his farm as the person who is able to insure at 30 bushels or 35 or whatever it might be.

The governing factor, the determining factor on income levels, therefore, is the amount of insurance an individual farmer can buy based on crop insurance records at least for the first year and, as we go along, in developing perhaps an individual average that will determine that, but based on crop insurance records.

Does the minister feel in retrospect now that indeed crop insurance data were the only basis on which to base this program, or could there have been another way, other information, other database, other means to determine this or just a different criteria used completely to determine basic coverage? If he had to do it again, would he base it on the same criteria that he did in this program a year ago?

Mr. Findlay: Mr. Acting Deputy Chairperson, in terms of looking back, we had to act on the recommendation that the task force put in front of us. It is fair to say that they undoubtedly looked at a few different mechanisms on which to base coverage, but they chose the crop insurance database right across the country to establish coverage on. It is not for me to prejudge or postjudge whether they made the right decision or the wrong decision.

We feel that there are some people who have a level of concern about the crop insurance database. That is why we launched a crop insurance review in this province. This is the only province that I am aware of in this country that has taken a proactive move to really look at all the fundamentals, let all the stakeholders have an input and let their peers make recommendations, because they pay a portion of the premium. The taxpayers of Manitoba pay a

portion of the premium, and the federal taxpayers pay a portion of the premium.

In terms of looking back at 1991, we allowed all producers to have at least the area-average approach. We had the SMA principle in place, superior management adjustment, so that if a producer exceeded the average by some amount, he had a retroactive coverage increase along with a retroactive premium increase, of course, for 1991. That was a very successful approach in the program. In 1992, individual productivity indexing came into being. For 1992, 50 percent of his coverage is now based on what yields he had in 1990 and '91, like 25 percent on 1990, 25 percent on 1991, and 50 percent on his existing crop insurance coverage adjustment factors.

We also have SMA in place again for 1992. So there is a stimulus for producers to improve their coverage on an ongoing basis to IPI and immediately through SMA, if they are able to achieve that. I think it is fair to say that the lower position the producer starts from the more likely he is to qualify for superior management adjustment in the year he grows the crop, whether it was for '91 or for '92.

In the total \$240 million that has been now paid out in the interim adjustments, and some \$48 million of it was paid out—I should say not all the \$48 million, but a portion of the total payout that is projected to \$320 million, \$48 million of it will be under the SMA program, the superior management adjustment. So that means a lot of producers did achieve higher coverage in 1991 based on their ability and their relative sense in their risk area.

Mr. Plohman: Well, the minister said that there are some concerned about crop insurance, and I guess it is an understatement. There have been a lot of complaints, and that is why the minister says he initiated a review.

Would the minister at least admit that it would have been desirable to have that review prior to basing all of this on crop insurance, because it affects the livelihood. It affects so significantly the revenue for so many farmers. If there are changes, if there is found to be inequities in crop insurance, there are major losses then that farmers will be able to identify.

Is the minister prepared to then retroactively go and correct those inequities, or is he going to start from that point on perhaps in making those changes? If he is not then the review is not going

to help GRIP, which is fundamentally flawed then, based on that flawed information or database that was there. What is the minister's plans with regard to the results of that review as it applies to GRIP, crop insurance review?

Mr. Findlay: Mr. Acting Deputy Chairperson, as I said to the member earlier, the information that will come forward in the review will be the basis for looking at changes to the program for 1993 and beyond. One must not forget that the federal government is a 50-50 partner in this. We have spoken to them on several occasions about the ongoing review and the fact that we will be coming forward with the results of that review in the coming months looking towards 1993. To tell you the truth, they are quite pleased to see us doing that, because they also think that what we will be generating in Manitoba will also be of significant help in other jurisdictions in this country, in terms of the principles of operating the crop insurance program and, obviously, the revenue insurance program on top of that.

Over the course of time, crop insurance for over 30 years has had a process of establishing yield coverages for producers, and, as I said earlier, the task force that looked at bringing in revenue insurance felt that the only existing database to work from was the crop insurance database. Because we have concerns about some of the things that have been raised with us, the review was launched.

If we lived in a perfect world, yes, we would have said, hold the trade war off for three or four years while we go through massive adjustments here to get ourselves ready, but nobody gave us any warning. It came upon us, and we had to act quickly, and 19 out of 33 producers on a task force brought forward the recommendations of program implementation which we put in place in Manitoba and maintained the principles in 1991 and '92 and have not undercut the principles of the program in Manitoba like they did in Saskatchewan.

Mr. Plohman: Mr. Acting Deputy Chairperson, no one is suggesting that you have to hold off the trade war before implementing a program, but no one is saying that the program had to be implemented in its present form when it was. There was a stubborn position taken by the federal government that there would be no so-called ad hoc payments made. The minister obviously bought into that and then developed a program—or bought into a program that was developed in a great deal of haste. He has

outlined some of the problems associated with that haste in the first year, which of course was entirely expected. I am sure he expected it. We certainly expected it.

* (1540)

I have to go back then to the minister at that time and that is why I asked whether he wished he had made some changes. He is saying, well, the signatories committee or the initial committee that was set up made the decisions and far be it from him as minister to question them in this regard is what I am hearing from him. I am sure the minister did question some of those things and he expressed reservations. The fact is he went along with it though. So here we have a program based on crop insurance that is, in many cases, fundamentally unfair in terms of the impact on farmers.

So I want to ask the minister whether it would not have been a viable alternative to in fact urge the federal government to reject their stubborn approach to an ad hoc payment on an acreage basis or simply guarantee a minimum payment on an acreage basis in Manitoba while these difficulties in terms of equity could be sorted out in crop insurance.

Mr. Findlay: One other element that the initial task force looked at was the frustration in 1988 and '89 with waiting for ad hoc payments from the federal government. I think it is fair to say the farm community did not like the uncertainty of going through a year and seeing grain prices drop or see droughts occur and have to go cap in hand to the federal government and beg for some kind of income support. They wanted some more security or stability to their income.

So it was the producers who said, we are tired of ad hoc programs. We no longer want to live and exist on ad hoc programs. We want more predictability and that is why the safety net discussion started. They wanted for the grains and oil seed sector, a two-pronged approach, the GRIP program and the NISA program. So they wanted to get away from ad hoc. They wanted more predictability. They said we are prepared to pay premiums to achieve that, and the basis upon which to set it up is on the basis of the crop insurance data.

The recommendations came forward, and there was intense discussion with the federal government about their level of commitment responsibility. I would have to say in the final analysis, we got a better deal than what was initially on the table. I will

be the first to admit, I wish we got a better deal from both the producer standpoint and the provincial government's standpoint, because of the further level of uncertainty that has unfolded since then.

The federal government's opening position was a lot worse than the one we ended up with. We have a lot of players around the table, some more urgent to agree to the deal than ourselves. We argued long and hard up to the point where decisions had to be made because time was moving on and we could not leave producers holding the bag going into the 1991 year when grain prices were down at \$2 a bushel. There was great uncertainty, great fear in the agriculture community and 1991 actually went better than I thought it would, particularly when farmers started to see the program payments start to flow.

The member for Dauphin earlier mentioned the rallies last September, October. Those rallies were really based on real fear of the future because they had a good crop, strikes were in place, grain was not moving, the price was way down there and they did not see the government program payments starting to flow. The interim payment came out in November and the second interim payment in April of '92. As they started to see the program payments flow, they started to see how it was doing a better job than they really thought it would do.

As we go into 1992 with our ability to get the 15-year IMAP at a higher level, my sense and the member for Dauphin also mentioned, there is a little more optimism out there now, a little greater sense of security. We think there are a number of factors, but clearly the fact that the safety nets are in place and functioning here is giving some degree of assurance to producers that there is a little more light at the end of the tunnel. I had heard a lot of Manitoba producers say, thank goodness I live in Manitoba and not in Saskatchewan.

Mr. Plohma: Mr. Acting Deputy Chairperson, the minister will have lots of time to debate Saskatchewan. We are debating Manitoba here. I know he wants to debate some other jurisdiction or something else, but he has to answer about Manitoba, and I think we have to get through that discussion here. I think we have to deal with Manitoba right now.

I am wondering whether the minister is doing justice to the producers of Manitoba when he says that it was the producers who were frustrated with ad hoc payments and wanted to have some degree

of stability and so they pushed to have this program introduced. That is what is implied by what he is saying, to having this introduced in the hasty way that it was for last year.

(Mr. Deputy Chairperson in the Chair)

I ask the minister—now he has time in retrospect to reflect on this, because he did not agree with us at the time, that it would not have been better to take a little more time in terms of consultation, because that committee only had a couple of representatives from Manitoba that certainly could not report to all the producers in Manitoba. I mean, the minister should be the first to acknowledge that the vast majority of farmers did not know specifically how this program was going to impact on them. Probably some of them still do not know. They are finding out now as the payments come in, but it was a pretty complicated thing to thrust on top of farmers at very short order. So they really had a tough time to make a decision.

Certainly, they wanted predictability over the longer term. They wanted a program that would give them a certain amount of security, so they were looking for something. But they were being told, if the minister will be fair about it—and that was the environment upon which they were asked to sign up—that if they do not sign up for this program they may be ineligible to get any more ad hoc money if it is needed in times of disaster. It was almost to a point of blackmail.

I am not suggesting the minister was blackmailing, but he was in a position to say something about that or he would not tolerate that situation. That was, in fact, what existed at the time. That was the environment that farmers were finding themselves faced with when they were asked to sign up in very short order to this program.

So I say to the minister that it is not doing justice to the farmers of Manitoba by making statements by saying it was the farmers themselves who were asking for that. Yes, they want long-term security, but they do not want to be rushed and bullied and pushed into it in a way that they were last year. Many felt they had no choice in the final analysis but to join up, not knowing really what they were getting themselves into. That is a fair statement about what was happening, and I think they were placed in an unfair position at that time.

The minister has had a year now to reflect on that. Does he not think that it would have been a much more prudent position taken by himself and his

government to in fact say, hold it now, let us put a program in place that is fair and equitable; let us not make matters worse here by putting something in that is going to have such great inequities in it that you are going to have some farmers doing quite well and others that are really being cheated under this program? Does the minister not recognize those inequities and therefore reflect that it would have been better to hold off and iron out these wrinkles before enshrining them in this program?

Mr. Findlay: I am really surprised at the statements the member has made. [interjection] Yes, I guess I am used to it. He talks about blackmail. The only person who might have ever used that word is himself. He does not understand the dilemma farmers are in, the insecurity they had, the poor incomes, the high risk. If you have never been on the farm, you do not understand that. I would like the member to reflect on what he said, because there has never been any greater level of consultation by the Minister of Agriculture's office in this building with the producers and has occurred over the course of the development of this program.

We consulted continuously with the farm organizations and meetings upon meetings upon meetings. They have been inside the room in terms of the signatories committee, the task force, long-term development. The member does not understand a farmer needs \$4 a bushel, and he is facing—the market is telling him, the Wheat Board is telling him, initial price is \$1.88—that is \$1.88, and he knows his costs are \$4, and he was very, very happy to have an opportunity to enroll in a program to give him some degree of assurance that for the bushels he produced he was going to get \$4.15. That is what occurred in 1991.

Nobody was forced into it. Everybody had the opportunity to voluntarily sign up, but they knew the rules. First line of defence was their responsibility. Second line of defence is the safety net programs, and they could choose to enroll or not enroll. Some enrolled, some did not. The majority did enroll for GRIP in 1991, and I dare say it is safe to say the same for 1992. Third line of defence, also set up for dealing with emergencies, is the old ad hoc angle.

Producers thought that, if they did not sign up for the second line of defence, they would automatically be looked after in the third line of defence. They were told, you take great chance by not signing up for the second line of defence if you could depend on the third line of defence.

The federal government did come through with FSAM I and FSAM II. The primary components of FSAM I were to reduce the premiums by 25% for the producers last year and 10% for the provincial government to help ease the pain of getting into the program. It is unfortunate that the federal government did not put FSAM I in place again for 1992. The payments under FSAM II are basically third line of defence; ad hoc payments for 1991 have flowed.

* (1550)

First payment was \$5 an acre, and the second payment was \$3.36 an acre, I believe. There continues to be some ad hoc money flowing in, but the producers' best guarantee that he will be able to have a reasonable income at the end of the crop year was to voluntarily choose to sign up for GRIP for 1991 and beyond. As I said earlier, it has paid substantial monies, but I just deplore the attitude of the member to say blackmail, just absolutely unfair to the people who developed the program, to the various administrations across the country that have spent great amounts of public money to keep the farm community alive. The greatest expenditures ever incurred in agriculture in this province have incurred in the last two years, substantial monies.

As I said in my opening statement, we have increased our expenditures substantially in GRIP in this province, and the member does not like us to talk to him about Saskatchewan, but they decreased their expenditures in GRIP for 1992, and therefore less support for their farm community. If he does not like to talk about it, that is too bad, but those are the realities and the farmers of Manitoba have a much better level of support than exists for the farmers in Saskatchewan.

I feel sorry for the predicament that the Saskatchewan farmers have been put in. They do not have the level of certainty, predictability for 1992, and I know that the federal government's treasuries know better than ours the ability to come up with additional money. An ad hoc, third line of defence approach for 1992 would be very, very hard to see happen.

Farmers are going to get it in Manitoba through the second line of defence in a very predictable fashion. Not only would that help the farm community, it would help all citizens who live in rural Manitoba, and a lot of that money will flow into the city of Winnipeg also to keep the economy viable.

Mr. Plohman: When I likened the situation that farmers were faced with last year to blackmail, it was not a reflection on the people who designed the committee, the program; it was on the minister who approved the program. He cannot cast aspersions on anyone else in terms of my criticism here. My criticism is of him, the minister, because the buck stops with the minister.

Just to clarify, in terms of the payment, the ad hoc payment—the minister mentioned about the rallies and I mentioned that earlier—in my mind it had a great deal to do with the low prices, but also with the fact that there was no cash flow, there were no dollars in the hands. We have been calling over the year of 1991, throughout the year, and even before the end of 1990 that there had to be an ad hoc payment for 1990.

The minister talked about the \$5 for '91. Really it is based on 1990; that is what the minister is talking about, the 1990 crop year. There were no dollars coming forward, and it was only after the rallies that there was what we call a terribly inadequate announcement made by the federal government. The minister can choose to defend that on the basis of how many dollars he thinks the feds have; that is not the issue here right now. What we are talking about is the crisis and insecurity faced by farmers.

I ask the minister if that is not correct that, if he had been a stronger advocate for federal payments based on the 1990 crop year, farmers would not have found themselves in the kind of crisis that they were in the spring of 1991 when they were forced to sign up for GRIP. They did not have any promise or commitment from the federal government for an ad hoc payment for 1990. Is that not correct?

Mr. Findlay: The member for Dauphin says the buck stops here, and I would like to tell him I am very proud of the fact that the program does pay, that it is going to pay out \$320 million to the farmers of Manitoba under GRIP for 1991.

I am very proud that 12,500 producers were enrolled in the program and they will receive average payments per acre of some \$43 right across the province—\$43 an acre. I would like \$3 an acre average right across the province—all crops and all acres averaged in.

FSAM II payment that came to Manitoba is in the vicinity of \$90 to \$100 million. So that is rather substantive income to the grain industry of Manitoba when the total market value most years is just about \$900 million. So you add those two figures

together, it is over \$400 million, almost 50 percent of the income of the grain industry in any given year.

So if the buck stops here, I am very proud of the way we, as a government in the province of Manitoba, have been able to meet the challenge and look after our producers in this province. I will stand up very proudly against what they are doing in Saskatchewan in 1992.

Mr. Plohman: Yes, Mr. Deputy Chairperson, the minister has to answer for his actions here in Manitoba. We will intend to ensure that he does.

I always respect a person who will admit that he may have had a better way of doing things in retrospect, even if he will not admit he made a mistake. I cannot say that the minister is quick to do that at any time. I have never even heard him ever say that, in reflection, he might have done something a little differently. I think that you can read into that what you want, I guess.

I want to ask the minister with regard to the average payment that he talks about, \$43 an acre, whether that is a very relevant figure. The minister knows statistical information, figures, facts and statistics. Surely, he will be the first to admit that using an average such as that is really not relevant when we are talking about inequities in a program, when we are talking about what the individual farmer and his family got out of this program in terms of security.

I come back to the question that I asked the minister initially and just in rebutting what he said about averages, I think he can reflect on that, but when I asked him about the issue of the support programs that was not in place in 1991 in the spring, and January, February, March, as this program was being developed, no ad hoc commitment, no commitment for ad hoc payments from the federal government, and no words publicly from this minister, that they had to come out with that for the 1990 crop year to keep farmers alive, to keep their heads above water while this program was being implemented and developed.

What does the minister have to say about his inaction and what difference that would have made to farmers in terms of their outlook in 1991?

Mr. Findlay: In terms of looking back, we have done some things in Manitoba that were not done anywhere else. We recognized the crop insurance program needed a major review. We are the only province to put that in place. We also are the only

province that had the signatories from the GRIP signatories committee go out and have public meetings across Manitoba to hear input—the only province to do that. We are trying continually to have as much input and allow producers a chance to understand the program and the process of bringing changes forward. So that is what we are doing and we will continue to do that in as open a dialogue a way as possible.

Whether averages are good or bad, it is up to the member to interpret. I am just saying that is the kind of support that farmers are able to get in the program. We have over 12,000 producers enrolled in the program. Had the program not been in place, I shudder to think what would have happened in rural Manitoba throughout the course of late 1991 and leading into 1992. I mean, the desperation that farmers experienced that caused the rallies to occur would have really been a devastating experience had the monies not started to flow under the program.

When the program was set up, it was designed to have one interim payment. We adjusted to make two interim payments, to get one out in the fall of the crop year, which is getting the money out as fast as possible. The farmers are starting to see that money flow.

* (1600)

In large measure, it is a reason why farmers have some level of confidence in putting the crop in in 1992. They have a little cash to pay their expenses. The fact that grain has moved well has also helped incomes to come in. The fact that Wheat Board prices have improved a little bit and there has been an additional \$14 a tonne paid out in two interim payments, all helps in the farm community.

Throughout the course of the time that the member talks about, we constantly reminded the federal government that there was need for an ad hoc payment based on 1990. Because as I said in my opening comments, the realized net income had dropped to about \$190 million, whereas we consider the necessary realized net income is around \$360 million.

When it dropped to \$190 million, when we looked back as to how much of that realized net income came from the livestock sector and how much from the grain sector, less than 10 percent of that was from the grain sector. It showed a terrible situation that existed in the grain sector then. There was need for consideration of an ad hoc payment.

In 1991, that realized net income did improve to \$245 million. So clearly, we were short a considerable amount of money from where we needed to be over '90-91, and they needed to address it. FSAM II payment that they came out with, although it certainly helped a lot, was not quite as much as we wanted. So that conversation, that discussion, was going on continually. Where the realized net income position was at was the subject of my speeches all over the place.

I do not have to tell the member that on one hand you are trying to get your message across, but on the other hand you do not want to preach gloom and doom to the producers, because they have enough difficulty to deal with day in and day out, enough mental stress and strain without hearing nothing but gloom and doom. They do need to hear that there is some hope, both in terms of the present and the future.

I caution the member on this constant gloom and doom that he tends to want to work with. It is not what the farm community wants to hear and it is not something that is good for them. It just adds to their stress and strain. Yes, we criticize what is going on, but let us do it in a fashion that shows that there is a light at the end of the tunnel. It is not a hopeless, black hole that we are going into.

I can speak as a producer. We just do not need gloom and doom. We need a little bit of optimism so we can get on with doing the job today so we can create a better income and lifestyle for our families in the future.

Mr. Plohma: I think the minister could have given a great deal more hope to the farmers a year ago if he would have made an unequivocal statement, loud and clear, that he would fight with everything he has to ensure that they receive a just payment for the previous crop year.

Those kinds of statements were not something the minister was shouting from the rooftop. He was continually espousing the importance of GRIP and how this program was going to deal with those problems. That is fine to offer hope through that in the future, but the farmers needed something to put food literally almost on the table, to make their payments, to put their crop in last spring. They did not have that hope from this minister, because he was not a strong advocate of the ad hoc payment required for the 1990 crop year.

That is what I am saying the minister could have been much stronger on. He would have placed the

farmers in a much better position in dealing with governments with regard to GRIP and then making a decision whether they are going to go or not.

I think the key to this whole thing—and the minister talks about the amount of money. We are not quarrelling with the amount of money last year with their total payout. It could have been higher. It might have done the job in terms of the total amount for all farmers in Manitoba. We are not quarrelling with that. We are not quarrelling with the average, because it is not significant for this purpose. For the purposes of our argument, the minister will choose to say my word significant says \$43 an acre is not significant. That is not what I said.

What I said is that figure is not relevant or significant for the argument. What is relevant is the fine tuning, and that is what the minister chooses to ignore all the time, the fine tuning, how it impacts on individual farmers, because some farmers were way above the average, obviously, whenever you use an average—and that is why I say it is not relevant for the argument we are making—and some are way below. They just simply were not able to buy the insurance that they required to break even.

They did it largely because of the minister's base, the minister's criteria that he used in this program, basing it on crop insurance data that was not relevant in many instances for producers who were in this program or who had finally no choice but to go into the program. I will not use the words that they felt they were blackmailed. I will just say they felt they had no choice. So I am saying to the minister that it is the fine tuning of this program that is important. It is the inequities in the program.

I just want to refer him—and he has these documents that were sent in by the group from Gilbert Plains that met. They sent this in to the minister. They sent it to me on April 24, and I understand the minister received it before that. They gave hypothetical farmer profiles. Even though they are hypothetical, they are very real in terms of the impact of the program on individual farmers.

When you look through that, they had a number of farmers outlined, farmer A farms in risk area IX with B land, 1000 acres seeded to red spring wheat, attempts to maximize crop yields, uses high fertilizer inputs, sprays all weeds as required, 10-year overall true average of 40 bushels per acre on red spring wheat taken from actual production records from grain tickets, calculations for grain use for seed and

that fed out, and an accurate measurement on carry-over grain, and he carried spot-loss hail through Manitoba Crop Insurance and so on. If you go through that, the total bankable revenue on red spring wheat seeded through revenue insurance, the total bankable revenue would be \$166,830 for that farmer A.

You have a farmer B, farms in risk area IX, B land, also 1000 acres, attempts to maximize crop yields, uses high fertilizer inputs, sprays all weeds as required. His 10-year overall true average is 40 bushels per acre, same as farmer A. He carried private hail insurance on selected crops during his past year's farming and continues to do so—no Manitoba Crop Insurance history.

Do you know what the difference is? This is what I am talking about in terms of the impact of this program—equal farmers, equal management, equal techniques. His average, his bankable revenue on red spring wheat seeded would be \$139,000 versus \$166,000 in that program. That is the kind of inequity that this minister has enshrined in this program. He does not want to talk about that. That is what we are talking about here, inequities in the program, unfairness in the program, not what the average coverage per acre was or the total amount of dollars paid out. It is how farmers across the road from one another are treated by this program, equally good farmers and let the minister say they are not. I have more examples.

I want to ask him what he thinks about that and if he thinks that is all right?

Mr. Findlay: The member gets all worked up, but he does not listen to the answers. I will have to repeat then what my answer was before. This program was brought forward by a task force recommended to federal government and all provinces across this country, to give some level of predictability to incomes, to help offset very low grain prices, to give a better level of gross revenue guarantee for producers, institute into the program individuality and Manitoba and Alberta were the only two provinces in 1991 to recognize that producers that get caught in those situations that he just talked about need an opportunity to improve their position. So for the existing crop year, superior management adjustment was put in place, which I have already told the member, paid out some—[interjection] Well, it is interesting that the member asked the questions, but he does not want to hear the answers—\$48 million for 1991.

We brought in individual productivity indexing for 1992, which meant that a producer could very quickly move himself up if he had the records in 1990 and 1991 of crop production, which would determine 50 percent of his coverage for 1992. To deal with broader issues of problems and inequities, we are the only province in the country to put in place a crop insurance review to deal with those issues on an ongoing basis.

No program is perfect. No program is not without its problems and has to be altered and changed, and we continue to do that. For 1992 we fought for a long time, single-handedly, to get the IMAP price at a more respectable level so producers would not have a significant fall in income in 1992 versus 1991. I am very pleased to say we won that argument and finally convinced all other jurisdictions that it had to be done that way.

* (1610)

As we look ahead to 1993, the wheat price will be around or just below the \$4 figure and not way down at the \$3.84 that, if the federal government had their way, would be the case for 1992. So a lot of things have been put in place to help farmers look after themselves within the program.

I mean, the member must know that there are no two farms that are equal in this province, never have been, in terms of management ability, costs, production ability, ability to sell the crop. All those variables always did exist, and they do exist today.

The member has, once in a while, talked about cost of production. If his political party believes so strongly, then why did they not do it in Saskatchewan? They just went the opposite way, just undercut the predictability and the support that the farmers had in 1991. That is a fact of life. The cost of production formula that is used in supply management takes the top 30 percent. As I asked him before, what is cost of production? Everybody is different.

IPI and SMA have an ability to improve your income. If you want to spend more money you can improve your income, and you have to pick the point where your cost of production meets your income. You have all the decisions in front of you in terms of cost control, varieties to grow, mix of crops, ability to market. Naturally, there is a great incentive to be able to, in balance, market your crop at a higher price than what your guaranteed price per bushel is, because you put that in your pocket. If you can grow malting barley as opposed to feed barley, you put

the difference in your pocket. If you can grow No. 1, 13.5 or 14.5 percent protein wheat, you put the money in your pocket—the difference in price between No. 2 red spring wheat, the guaranteed grade and your ability to produce a higher grade and sell it for a higher price.

There are all kinds of ways and means a producer, in the existing program, could improve himself. Many, many have, and that is why we have fertilizer sales moving quite well in this province, because producers see the ability to improve themselves by putting the inputs in, and that stimulates the rural economy in an ongoing way.

Mr. Plohan: Mr. Deputy Chairperson, the minister says no two farms are equal and no two farmers are equal. It may be that in the example I gave, that farmer B who is going to get under this program some \$30,000 less is superior, as a matter of fact, to farmer A that I listed who happened to be under Manitoba Crop Insurance.

So if the minister wants to use that argument, what he has, in fact, in many cases done is doomed superior managers to getting less revenue under his revenue insurance program than those who were not as competent overall.

I will give you an example of that, because the minister based it on crop insurance and they got a superior adjustment figure. [interjection] Not the superior management. That comes after the fact. We are talking about the adjustment that was made as a result of records under crop insurance over the last 10 or 15 years that the person may have been in crop insurance, positive adjustment, and that amounted to up to seven or eight bushels per acre in some areas. Some people got that, some farmers got that when they only produced 71 percent of the area average over the last 10 years. All they had to do was produce 70 percent and they were deemed to be—under the retroactive formula, I could call it I guess, or for previous experience under the crop insurance data—superior managers based on 71 percent, but the person who was not in crop insurance and now who is going to be deemed a superior manager must outproduce the area average by more than 5 percent before he can start collecting additional revenue as a result of the SMA.

So the minister used two completely different criteria, one for the past under crop insurance which did not reflect superiority at all. It just said that you got 71 percent of what you insured yourself for. I have to ask the minister how he can reconcile those

two positions that he has taken with regard to coverage levels?

Maybe it might be important for the minister to know that we are going to be spending at least this next three-quarters of an hour on this issue, so if he has staff that is on subsequent issues and he wishes to inform them of that, it is up to him.

Mr. Findlay: Mr. Deputy Chairperson, without knowing absolutely all the specifics of the examples that the member used a couple of questions ago between \$166,000 and \$139,000 incomes, it is our understanding that the person with the lower income under SMA moved up to \$161,000. We could further clarify it if he could give us all the information and the names. So SMA did equalize those two, it would appear, from what we know at this point in time.

The second thing is, the member is negatively reflecting on the coverage adjustment factors used in crop insurance in years previous. Producers who were enrolled in crop insurance had either a positive or a negative coverage adjustment depending on their claims and frequency of claims. If they had little or no claims, that means they were above-average producers so they had a positive adjustment factor. That means that they were paying premiums and not taking out claims, so they were paying into the program and receiving nothing out of it, therefore, have positive coverage adjustment.

(Mr. Jack Reimer, Acting Deputy Chairperson, in the Chair)

Those are the principles that have been in place in crop insurance all through the years that they were in government, and it was a process of operating the crop insurance program that was broadly accepted by the farm community. A producer who had claims that exceeded the average—in other words, he took more money out of the program than he paid in premiums—ended up with a negative coverage adjustment factor. That lowered his coverage.

A person who did not take out crop insurance had no record on which to base his coverage in 1991 and certainly if he was a superior producer, SMA would immediately be kicking in for him in 1991 provided he did produce above the average. So the producer that had been a long-term member of crop insurance, paid his premiums, achieved the coverage adjustment factor that was there, I cannot say there is anything wrong with him having that

coverage adjustment factor used for him in 1991. If he is already a high producer, his ability to improve himself under IPI will probably be very difficult, whereas a producer with a lower average yield on his record will, through IPI, undoubtedly be able to improve himself much more rapidly. That is one of the principles that producers want, individuality and coverage based on their ability to produce as a farmer on a crop-by-crop basis.

Mr. Plohman: Yes, the minister is assuming that this farmer C that I talked about is a high producer, as he used the term, but he may not have been. He may not have drained on the crop insurance program. That is fine. The minister says those criteria were in place for years, and that was established and it was widely accepted criteria used, but there was no idea at the time that we were going to have a revenue insurance program that was going to be based on it. So it seems to me that the two are completely separate in that regard, and so what criteria that may have been used over the years to determine crop insurance may not be relevant for revenue insurance, and it may not be fair. I would go further and say it is not fair because of what we have seen happen here.

* (1620)

What we have seen from this situation is that a farmer who did not draw on insurance but did not produce in a superior way at all, did not even produce the area average, produced less than three-quarters of the area average, still got the coverage levels that were way beyond the individual who was not in crop insurance but a tremendous manager and tremendous producer. The figures that would show here would reveal that the farmer in this particular case who was simply producing 71 percent of the area average, his bankable revenue on red spring wheat was \$166,000, the same as farmer A who was the superior producer. How can the minister justify that?

Mr. Findlay: The member is taking one particular case, and a very extreme case, and it is very difficult for the staff to think that anybody on a 10-year basis could consistently produce 71 percent of the area average. I mean, if he is taking one year, the coverage adjustments factor was based on a 10-year period, and it is impossible to be constantly producing 71 percent and receiving coverage adjustment. You would have to do substantially better than that. Basically, you would be up to over 100 percent more years than not in order to have

had a positive coverage adjustment factor. If he has some specifics there, send some specifics over and we will look at it, but, you know, take one year.

Mr. Plohman: Mr. Acting Deputy Chairperson, I am sorry to interrupt the minister. He said I should send the specifics over. He has got this whole presentation. I am taking examples that I believe reflect actual situations, however they are hypothetical, and I said that to the minister at the beginning. They are hypothetical examples that reflect actual situations or very similar to. The minister may argue with 71 percent. Maybe he thinks it is not possible to have a whole series of years at 70.5 percent of the area average in one year, at 71.5 percent so they come out with the 71. Yes, it might be. So maybe 80 percent would be better because then you could go up or down 10 percent to get the average of 80.

My point is that there are farmers who did not even produce the area average over 10 or 15 years, but simply because they did not draw on crop insurance were given a superior adjustment, a positive adjustment, not a superior management clause but a positive adjustment, therefore, were able to purchase additional crop insurance and guarantee themselves additional revenue as high as the individual who was consistently outproducing the area average, and, truly, even under the SMA will reflect that in future coverage years.

Mr. Findlay: The coverage adjustment factor that the member is talking about was for the 10-year period that person's record would be done. It would be from 1980 to 1989. We are not going to go back and say that anything was done wrong in those years. I mean, he was in the government at that time. In terms of ability of a producer to improve himself, we had SMA in place for 1991 and many producers qualified on a crop-by-crop basis. Some maybe grow four or five crops, qualified one, two, three crops, maybe all five. I would dare say a very high percentage of producers qualified on at least one crop. IPI gives them pretty much instant opportunity to improve their coverage in 1992 based on 1990-91 production years—a tremendous opportunity to improve themselves, and producers want individuality by producer and by crop, and it is available in Manitoba.

Mr. Plohman: The point is, Mr. Acting Deputy Chairperson, these producers will be forever out that amount of money. They will remain behind for many years before they are finally able to even

themselves up based on their own individual averages because of where they were started.

The minister seems content to allow that kind of inequity to prevail in this program rather than correcting it where individuals can show that their average, since he based in on crop insurance, their own personal average was in fact higher than some of those people in crop insurance. They cannot get any redress from this minister. He will not deal with that situation, and I ask him if he will give consideration to those farmers who are penalized because they were not in crop insurance as per the examples that I have given, whether he will allow them to, in fact, get the higher coverage based on proving their production over the last 10 years say.

Mr. Findlay: As I have told the member, we have a continuous ongoing ability of producers to improve their record, and producers want the right to improve their record, and they can improve their record. But the member must honestly reflect on how could you prove a record over the last 10 years. It is open to all kinds of potential difficulties and problems and exchanging receipts, and on it goes.

You have a terrible time being sure that everybody is treated fairly because it is open to abuse. I mean, the records, sales to the Canadian Wheat Board, that is pretty well recorded, but the sales beyond that, difficult, very difficult to ever establish what a producer really sold.

So we have opened it up in terms of ability of a producer to prove himself and improve his coverage on the basis of his own ability in the crops of 1990 and '91, for his coverage in '92 and beyond, and the crop insurance review, we will wait and see what it recommends from here on.

Mr. Plohman: The minister is saying that he is making a judgment that every individual farmer who has kept records does not have records that he thinks are reliable enough to make a decision on, at least as reliable as the admittedly flawed crop insurance program.

Mr. Findlay: I guess I am very disappointed that the member for Dauphin would say that the crop insurance program is flawed. He is reflecting back on staff and a lot of years, over 30 years of crop insurance record keeping, and I am disappointed he would take that position.

We in this province have recognized producers' desire and ability. Farmers have good records, but I also know of ways in which records can be created,

and that is unfortunate. I would like to believe we could go out and ask farmers for their information. I know many would give you legitimate records, but I also know it is open to abuse.

One thing that farmers have constantly said to me is, control abuse in that program, control abuse. I have heard that as often as I heard, we need better coverage. Those are the two messages I have heard over the last three or four years, and "control abuse" is very high on their agenda.

A lot of them said, that is why I am not in the program because I do not want to pay premiums for somebody else to abuse the program. That is another reason why the program review is in place because there are some concerns about things over time and let us try to be sure that producers have a chance to have their input to their peers, and we will see what recommendations come forward.

We will take those recommendations to the federal partner to see if we cannot make some adjustments that satisfy the vast majority of clients because they have to have a satisfied client if they are going to buy into the program. I say that is why many of the, sometimes better, producers did not take crop insurance in the past. They said first, coverage was not high enough. What was available to them was not high enough because it was area-average based and they wanted individuality, and I would like to remind the member that individuality is a direction they were going in Saskatchewan, and that was all taken away from them in the revenue insurance program in 1992, so everything he says here he should take out there and speak to his friends in Saskatchewan, why they have taken it away from the farm community.

An Honourable Member: They inherited the Devine mess.

Mr. Findlay: He says they inherited a mess. They took a program that did have some level of individuality and took it all away from the producers, and that is why we get thousands of people showing up at Saskatchewan rallies very frustrated with the drastic changes that occurred out there.

I think the member does understand the producers of Manitoba want an ability to create their own level of coverage. If they are better producers they want to have a higher level of insurance coverage. They want that in Manitoba, and we are proceeding towards it directly and effectively in this province.

* (1630)

Mr. Plohman: The minister is contradicting himself all over the place here with regard to abuse when he makes those statements, because he did not even do an inventory of the supplies that were in the bins before GRIP was put in place. There was some spot checking that was done, but there was not an overall inspection that was done for all the farmers in the province of Manitoba. He did not even know it was there, but he trusted the farmers, the vast majority in terms of their inventory, and if they inflated their inventory for 1990 they were going to have lower production for '91, which would have meant more payments through GRIP. Yet the minister did not ensure that he knew what was out there in terms of inventory.

That is the problem with this kind of a program. Certainly there is all kinds of room for abuse. There has to be a certain amount of trust in the system, and I am wondering how the minister can say that there would be less abuse in a passive way by the rank-and-file farmers out there who were not subject to any inspection of their bins, why there would be less abuse there than in this particular case where farmers, in fact, would have to aggressively come forward and bring the records forward. The chances of them openly abusing on that basis—because they are trying to prove their case, they feel that there has been an injustice, that they should have a higher starting point in this program. They are earnestly coming forward with their records and they want to prove their case, and they are not being given that opportunity because the minister is saying, I do not trust you. Yet on the other hand he did not measure the bins. Where is he coming on this issue of abuse?

Mr. Findlay: Every year the Crop Insurance Corporation requires producers to send to the corporation a statement on inventory that is left at the end of the crop year, the end of July. That is done every year. It has been ongoing for a long period of time. That was done exactly the same in 1991.

Now, he says the producer would record higher production for 1990, and then he would have higher inventory in his bins for 1990; therefore he would have lower production in 1991. Is the producer going to win or lose on that? I will ask the member to think about that, because that lower production he would want to record for 1990 when it goes on his record for 1992, and that is 25 percent of his

coverage from 1992. So he may win one way, he is going to lose the other. What it really says is you had better be honest in the system in 1991 and beyond. If you say you have higher production or lower production, you can lose both ways, so we are giving an opportunity to producers to send their information in.

We are doing spot audits right now on the final production reports that producers submitted. They were to be submitted by early February of this year for the 1991 crop, and there are some 2,000 audits now ongoing, random audits throughout Manitoba to determine the degree of reliability of the information producers sent in. For some producers, I am sure if they underestimated their production, it will be corrected to their benefit.

Mr. Plohman: The minister should know that the audits should have been done prior to the 1991 crop being harvested, so he would know what was carried over and what the inventory was at that particular time, and then it would have been a true reading for GRIP. That was not done, and I say to the minister—[interjection] No, the minister said was so. No, they asked farmers to submit their inventory, but—[interjection] Well, now the minister is saying, I do not trust them. He is the one that just said he does not trust farmers to put accurate records forward. He only trusts crop insurance. How come they are going to be dishonest for previous years but suddenly they are going to be honest now?

The point is, and the minister raised this whole issue in his discussion, that in fact a farmer who is putting forward in an affirmative way his production records from the previous year has got to be pretty sure of himself before he comes forward with that. Therefore, there should be some consideration by this minister to what he is saying to that farmer, saying, if he can prove, and he has good records that are reliable, he should consider that.

He is refusing to consider that on the basis that all farmers' records are deemed to be either poor or there is so much dishonesty in there they cannot pick out the honest from the dishonest, the right from the wrong, and therefore they do not even want to touch it. I say if the minister operates under that same principle, then where was he on his audits prior to GRIP coming into effect so he knew what was out there, so everyone started on a footing of what was produced after 1991?

Mr. Findlay: I believe very strongly in producers' ability to be honest. That is why we are using the production report approach where they can send in the information on their own production as opposed to that member's idea where you go out and look at everybody's bin. He does not trust anybody. That is the NDP approach quite obviously, quite obviously.

My approach is I trust people and I allow them to—[interjection] Mr. Acting Deputy Chairperson, the member has asked a question. Would he like to give us the courtesy of being able to answer the question? [interjection] I can see that.

A producer in my mind knows what he has on his farm. [interjection] Mr. Acting Deputy Chairperson, if the members are ready, I am ready to give the answer.

Producers have been asked every year by crop insurance to give the inventory that they have on their farm. They are sent a form in July of each year, report your inventory, and they can go out and they can see it and measure it. Very easy to do, they have been doing it for some time.

I also believe in producers' ability to be honest and that is why I have advocated in Manitoba—and again, a lonely voice in the wilderness—saying we do not need to send inspectors out to investigate everybody's bin because farmers do not like that. They do not like that invasion of their privacy.

I say that they have the opportunity to send their information in and I do believe that the 2,000 audits we are now undertaking will support that argument, that farmers can honestly submit their information. When they were asked to give their production reports, I would dare say a good portion of their production had already been marketed and all they had to do was report from their receipts. The rest they had to go out and measure in their bins, and I believe they will do a very good job of that.

But it is a totally different question to go back and ask producers to say what happened over 10 years. I say a good portion of our producers, certainly in excess of 50 percent, will have good records that will go back 10 years. Many, I am sorry, do not have the records at their finger tips over that long period of time.

I mean through income tax you only have to keep it seven years but to go back 10 years, some can, some cannot. I am just saying that it is not a foolproof program to go back 10 years. To go back one year on what you have on your farm, what you

marketed last year, I have great confidence that producers will report honestly.

It saves the whole program administrative costs. That is another message, loud and clear. They always say we have spent all this money on administration and nothing gets to the farm pocket. This program and the approach I am taking is to guarantee that the very least amount of dollars be spent on administration, maximum dollars that we budget goes directly to support the farmer in his pocket.

That is why I reject the member's approach that you go out and you look in everybody's bin because you do not trust them. That is his approach, mine is the opposite.

Mr. Plohman: The minister's approach has been to trust on the one side those farmers who are in crop insurance but not to trust those who are not. I would like to see him have a little more integrity in dealing with the farmers and trust all those farmers equally until they prove they should not be trusted if that is his position.

In terms of his handling of the one situation and the other it is a completely different approach. He is not asking the farmers of Manitoba to come out and bring the records in to prove it. They are asking him if they can come in and bring their records in.

I am saying, if they can prove it, why is he not allowing it? These reliable records. Do not worry about the 50 percent because he is not worrying about crop insurance, he does not care about inequities. This is a chance to make some amends in this program, to make it more equitable. He has the crop insurance records, for certain ones, for certain farmers in the province, and he is using that.

Then there are other farmers who went on crop insurance, about 40 percent of the farmers of Manitoba, many of them—say using the minister's statistics, say 50 percent of good records. He could have another 20 percent of those farmers who would be eligible for a positive adjustment for this first year based on those records. Why will not the minister allow—not ask all the farmers to bring them in, but just make a statement that he is allowing farmers to prove their statements, prove their production over the last 10 years?

I am saying you cannot have it both ways. If on the one hand he says he trusts farmers, his approach is not to stick his nose into bins, then why

is he not trusting them on this other issue when they take the initiative to come in with their records?

* (1640)

Mr. Findlay: The approach we have taken is to allow producers who believe that their level of coverage is not as high as it should be to have instant access to improving that in the crop year through SMA on an ongoing basis to individual productivity indexing.

Those are the two approaches available to producers in Manitoba. As I said, you know, \$48 million is paid out under SMA which proves that many producers were able to achieve higher coverage in 1991 on SMA, a very substantive level of coverage improvement, and that they improved themselves in 1991, they carried forward to 1992, and they add in, in 1992, the records that they had in 1990.

Mr. Plohman: Mr. Acting Deputy Chairperson, it is clear that the minister is not going to allow farmers with legitimate concerns in mistreatment under this program to seek redress in terms of where they were started in this program.

They are going to be behind for many years because of the minister's approach. He says that there are options for them under SMA, but the fact is they are going to be behind, even though they are just as superior a producer as the fellow or woman who was in crop insurance because of the start that they got in this program.

There are thousands of dollars being lost every year in that approach by this minister, and he is content to let that happen simply because they chose not to be in crop insurance before. I think that is a very inequitable and unfair way for this minister to approach this program. That is the point we are making here. We have a brief by the people that have brought this forward. They have asked about 19 questions of the minister. Has the minister answered this yet?

Mr. Findlay: We recognize there was some difficulty for those that were not in crop insurance. It is the only database we had and SMA was brought in to deal with it. I can tell him from personal experience, SMA does allow you to very quickly improve your coverage for the crop year you are in and through IPI and SMA for 1992 allows you to do the same.

I would say anybody that had a good coverage going into 1991, if he does not perform in 1991 and

1992 and beyond, through IPI he comes down rapidly. To say somebody is permanently behind is not necessarily true. He has to be able to produce above average to improve himself, and if you are above average you got to keep producing to stay there because you can come down as fast you can go up. To say somebody is permanently behind is just not true.

The Acting Chairperson (Mr. Reimer): Mr. Minister. Pardon me, the member for Dauphin.

Mr. Plohman: Thank you very much for projecting ahead a bit.

Mr. Acting Deputy Chairperson, there is a problem here with the situation that the minister has described in terms of the averaging and how it works. Let him explain then, he said they can go down as fast as they can go up, and that is my point. It takes a long time to go up, because we are only dealing with one year coming off every year out of 15 in that average. Is that correct?

Mr. Findlay: What are you referring to, IPI?

Mr. Plohman: Yes, the individual average from crop insurance.

Mr. Findlay: Under IPI for 1992, 25 percent was based on 1991 and 25 percent on 1990. So you have, you know, 25 percent in any given year. So if you have a bad year you can quickly go down, and if you have a good year you can quickly go up because 25 percent of your 1992 coverage is based on those two years. In 1993 it is 25 percent on '90, 25 percent on '91, 25 percent on '92; and by '94 it is 25 percent on '90, '91, '92 and '93. So you have the four years prior to '94, is 25 percent on each year. You used the term 15 years. That is the moving IMAP price where you drop off one at a time, but the IPI, beyond '94 it will just start adding a year on. So it will be five years in '95 and six years in '96. So you have 25 percent of any given year, so that way you can very quickly move yourself up or down based on your performance, on your own ability.

Mr. Plohman: Yes, I mistakenly referred to the IMAP which was not what I meant to refer to. It was the average that was established under crop insurance which was an average that might have been based on 10 years or 12 years or what? It varies, I would assume, depending on how long the person has been in crop insurance?

Mr. Findlay: In terms of the long-term yields for different crops it varied from 10 to 25 years. Wheat was 25 years, barley 15 years, but in terms of

coverage adjustment it is based on the 10 years previous for the producer.

Mr. Plohman: Okay. So the person that has been in crop insurance has a 10-year average that they are working on.

Mr. Findlay: Moving 10-year average.

Mr. Plohman: Moving 10-year average. So in '92 they will have added on the results of '92, and that will be averaged in with the previous nine years then to get their average—if that is correct. I am trying to make the point here that if they are not producing up to their average it takes quite a long time to bring it down, because you have only one year out of 10 here that is impacting on the average.

Mr. Findlay: Their yield that they will have on their record for 1992 is 25 percent on 1991, 25 percent on 1990 and 50 percent on the average between 1980 and 1989, the previous coverage adjustment factor.

Mr. Plohman: So, Mr. Acting Deputy Chairperson, they will have 50 percent of their average based on the previous nine years, or eight years.

An Honourable Member: Ten.

Mr. Plohman: Oh, previous 10 years prior to '91. Okay. Then in '93, will that drop to 25 percent, that portion impacting on their production? Okay, I see. So that means though that still that person that was in crop insurance carries with him or her a declining but still an advantage over the person who was not in crop insurance who has to develop their average from then on. If they have poor years they may be going the wrong way, those people that do not have a crop insurance to fall back on in terms of their average. Their average is based on a very short period of time.

Mr. Findlay: Yes, that person can be above or below the average. I mean, if he had a poor record in '89 he drags that with him. If he had a good record, of course, it helps him for his average in '92, '93 or '94, but we are developing here—this is a risk protection program, and it is based on your individual ability. Everyone wants to be based on their individual ability, and that could be a win or a lose depending on what happens down the road. We have talked to producers saying that you can win or you can lose on this individuality, but there is such a strong desire and demand for it that we hope it is successful for the majority of producers in terms of continually moving themselves up.

Do not forget that it exists for each crop. So if you have a producer that grows four, five, six crops, he may be moving up on two or three and down on two or three. I would dare say that over time he will either improve his ability to produce those crops that he is declining in, or he will drop them off his list and grow the ones he is doing better in. So over the broad scale of things I would think you will have more than 50 percent of producers moving up because they will choose the crops to grow in the future that they are moving up in as opposed to the ones they are moving down in.

I might just add one other thing. A producer has to look at his pros and cons here, and if he is doing poorly in a crop he may say, well, I am only going to grow just a small acreage next year, and I will do real good to get my average up in the future for that crop. So it is not a total 50 percent up, 50 percent down. Your choice of crops, and I am speaking more as a farmer, is you look at things. You make the decisions to maximize your own coverage and the potential benefits you can get from that coverage down the road.

* (1650)

Mr. Plohman: Well, I understand that. The point is though that those farmers who were not in crop insurance, the 40 percent or so of Manitoba grain producers who were not in crop insurance, would like to have the same opportunity as those who were in crop insurance. The minister talked about the individual abilities, it is based on the individual ability. Well, the risk is a lot less if you feel you are a good producer, a superior producer, if you can use your average over the last 10 years rather than the last one or two as it develops, because you stand to expose yourself to less risk. You have a longer-term average, a more accurate average. That is what these people are saying. They want to be able to use their longer-term average to determine what kind of coverage they can buy.

So why will the minister not allow them to do that, so they can be on equal footing since he believes so much in individuality? I agree that seems to be coming through at the meetings and the reports of the reviews that have taken place. So on that basis, if he believes in that philosophy, why would he then not apply that to those people, individuals who also want to prove their records and have been excellent farmers and producers and want to have that reflected in their coverage levels?

Mr. Findlay: Individual coverage has never been available in the major crops in Manitoba, and we are respecting producers' desire to have individuality, and we are moving into it, moving into it very rapidly, allowing producers from here on to have that level of individuality.

The decisions have been made. I would like to have been able to go back and say, produce the records. We looked at the pros and cons and realized the potential of abuse in that process was relatively high. As I said to the member, we have had a lot of people complaining that they did not enter the program because they felt there were too many people abusing it as it was. So we put the various opportunities in front of producers, to SMA, IPI, Crop Insurance Review to deal with further issues that are brought forward by the farm community.

I am glad to hear the member say that the desire for individuality is coming through loud and clear, because very clearly it has. To tell you the truth, when the SMA calculations were sent to producers I thought we would have got a flood of calls of people saying, I did not get fairly treated. We had none. I think what lot of producers found, they were surprised that, as I said earlier, they had four or five crops that they grow and they may have qualified in one or two and felt good about it—they, we have got to do better on the other ones.

It is a good factor of motivating people to do a good job of farming, and I think that is very positive, because that means undoubtedly they will be buying more inputs and that stimulates the whole rural economy which is very important. I know that member has commented, I guess the member for Swan River (Ms. Wowchuk) was commenting today about loss of population in rural Manitoba, and if farmers do not have the money coming in and are not spending money, that is why we are losing population, because smaller businesses that supply goods and services to producers cannot stay viable, and therefore they leave the community.

I will say that this is an ongoing program that is being developed on the basis of experience that is occurring, and I look forward to the recommendations that the review committee will bring in on crop insurance as well as the recommendations that will come forward from the signatories review committee on revenue insurance. I hope that we can achieve more continuity, at least across western Canada, in

program design, because I am sure the producers in Saskatchewan and Alberta want individuality as much as producers in Manitoba.

Mr. Plohman: I think some farmers want individuality and want to have that option. Others want an area average. The minister knows exactly where that is in this province.

He has refused to—I believe, at the present time, I hope it is not the case—extend that option to southwest area farmers in terms of their coverage, where they have asked for an extension of the area average as an option for them because of the low averages that they are faced with on the basis of natural disasters, on the basis of natural disasters that they have been faced with over the last number of years.

Unfortunately, the minister's program—again, we talk about inequities—seems to have treated those who have been hurt the hardest over the last number of years the worst in terms of their coverage levels. That seems to be the reverse of what it should be.

So I ask the minister with regard to that issue, because he talks about individual coverage—I mean, there are farmers and groups of farmers, individuals and probably large sections of farmers who would prefer to have an area average, at least for a couple of years, because they cannot base it on their previous experience, because it is just going to mean that they are going to be down to about \$70 an acre, they tell me, in the southwest corner. Well, the minister cannot be very pleased with that in terms of the distribution of the funds out of this program.

Mr. Findlay: Last year we were able to extend area average to all producers in the province as minimum coverage. This past year, we again asked the federal government, as the partner, to support that principle, and they have said no. It is financially impossible for us to take on further federal offloading by paying their portion of the premium to move to area average for everybody again. So the answer was no.

It is a grave concern, what is going on in southwestern Manitoba. I mean, they have had a long history of less production, partly because of less moisture. It has just been historic in that area that there is less moisture and less ability to produce. Clearly, it is a significant question. It is in front of the review committee.

It has come up, obviously, from producers in that area. I guess it is fair to say there are three people on the review committee who come from that southwest area. Whether there is some resolution they can recommend to deal with the lower producing capability in that area or whether there should be further promotion of producing other crops there that can do better in those circumstances is a very difficult question for which there is no quick and easy answer.

I guess I would say that the recent information in the press on the weekend about AECL and working on this compound, this material that is supposed to improve the utilization of water in soils that do not have enough water really to satisfy the crop demand has a lot of promise for those kind of soils. I just hope that it is successful. [interjection]

Well, I guess we are all in that position to some extent. I appreciate their greater difficulty, but you know the other side of the coin is that, certainly, land prices were less in that area, at least, they sure should have been, compared to the better producing areas. So that tends to even it out a little bit.

There is no question that it is very difficult to farm on a revenue guarantee of \$70 an acre. We appreciate that, but I have to remind the member that the federal answer was no, on 1992 area average. It is the same answer that was given in Saskatchewan.

Mr. Plohman: I do not know whether the farmers can take much solace in the minister saying that he realizes that, I mean, that they cannot exist at \$70 an acre, and tell these new processors—and I have that here somewhere. I want to discuss that with the minister too, in terms of new developments. That is something that is encouraging.

That is not going to happen overnight. Meanwhile, these farmers are in this situation. There is a high percentage of lost farms in the municipalities in that area. I think if the minister would have pushed for the concept of a minimum acreage coverage, below which no one could fall—unless there was complete mismanagement and therefore they were tossed out of the program, as they are in crop insurance and others. We have all kinds of complaints of people we know, that farmers are taken out, their coverage is pulled, because they are not considered adequate risks in crop insurance. We know that is the case. So that could be done in some of those extreme cases.

But why was there not a minimum acreage coverage below which—even if it were set at 100, I mean it would be a lot better than 70 in this particular case—no one could fall unless they are in violation of some of the principles of the agreement?

Why could the minister not push for that type of thing so that we would help the situation? If the federal minister says no, then he has to go all out and join with his counterparts, make sure the Premiers are involved, and go to the Prime Minister and just say: Look, we are not tolerating, we cannot tolerate this inequity; we cannot; we are going to have all kinds of farmers on our doorsteps.

So I will leave it at that today, Mr. Acting Deputy Chairperson, and we will go back into this on Monday.

The Acting Deputy Chairperson (Mr. Reimer): Order. The time is now five o'clock and time for private members' hour. Committee, rise.

EDUCATION AND TRAINING

Madam Chairperson (Louise Dacquay): Order please. Would the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates for the Department of Education and Training. We are on page 43, item 5.(b) Program Analysis, Co-ordination and Support: (1) Salaries.

Would the minister's staff please enter the Chamber.

Item 5.(b)(1) Salaries, \$904,100—

Mr. George Hickes (Point Douglas): Madam Chairperson, I would just like to cover what it says here: The objectives of the policy is to provide leadership in the design and planning and development co-ordination and review of nonuniversity education and training for adults that will enable Manitobans to contribute to the economic and social development of the province.

So to follow those objectives of the Department of Education, I would like to reference back to Hansard where the Minister of Education (Mrs. Vodrey) had quoted, and it is on May 14, on page 3403 of Hansard where she states: Limestone Training agreement students very rarely progress beyond Level I or Level II, and for her information—referring to the member for Wolseley (Ms. Friesen)—approximately 30 of 1,500 students obtained trades qualifications. And she states that: This was an NDP approach, and it did not work.

I would like to follow along on that line in questioning. For her information and for the information of the House, when you get into an apprenticeship training program, it takes you four years to complete your hours to write for your journeyman ticket. If the minister had any knowledge about northern Manitoba, she would know that the construction seasons are very short. Also, when you are dealing in aboriginal northern communities, the people that were on those carpentry related training courses were working for the bands building community houses. That is what they worked on.

There had been very little active training in northern Manitoba pertaining to aboriginal people for years and years. So you had individuals that were coming on to be apprentices that were 30, 40 years old, some 50 years old, that had the first-time opportunity to challenge and to write their apprenticeship exams. These individuals had been out of the school systems for 20-some, 30 years. So there was a lot of upgrading and simulated training that had to take place in order for these individuals, most were of aboriginal ancestry, in order to obtain the proper skills to pass the practical examinations.

So I feel very offended as an aboriginal, as a former employee of Limestone Training, when she states there were 35 of 1,500 students that graduated. I think it is very demeaning to aboriginal people who have finally had an opportunity to make a career for themselves and to come back and work in their own home communities. The traditional method in northern Manitoba communities and in the reserves was you hired outside contractors that would come in and build the houses for the communities. Those outside contractors, 99.99 percent were nonaboriginal individuals that went in, built the houses, took the money and went back into the communities and very little was left in those communities. So when you have a training program that works and strives for aboriginal people to obtain trade certificates—when she says there are 35 trades-qualified aboriginal people, because out of those graduates most of them were aboriginal people.

When we first started Limestone Training we did a survey in Manitoba, and, Madam Chairperson, there were three aboriginal people in all of Manitoba that had a carpentry ticket. So if you looked at 30, that was obtained in a short four years, I might add,

because the Limestone Training Program started up in '85, but it did not escalate till '86—the state I have which I tabled previously in the House, which I hope the minister will read, and it states right in there, where I do not understand how she can say 30 graduated from Limestone Training when in Level I alone there were 309 trainees and out of that there were 212 that completed. That is only in Level I out of 25 courses, and the individuals that graduated from that—there were 141 that graduated. There were 71 that failed.

* (1440)

In order to update the minister and to give her some information that obviously is lacking, people that failed the level would be recruited back into an upgrading program. Because I stated earlier, these individuals had been out of the school system for many, many years and had to have the proper upgrading in order to upgrade themselves in the sciences, the comprehension skills and mostly in maths. We are dealing with adults. We are not dealing with individuals. Most of your apprentices down here in southern Manitoba leave high school, go directly into a community college or are hired by a big company. So they are taken on as apprentices that work year-round.

In Manitoba they are very lucky if they get two months, three months the max, in their chosen careers. In order to challenge any level of apprenticeship you need 1,800 hours. If you figure out the working schedule per construction season in a lot of these remote communities you will know it does not come near 1,800 hours.

A lot of these individuals take anywhere from three to four years to accumulate 1,800 hours to go from one level to the next. That is three years. If you took the Limestone Training Program when it started in 1986 to 1989 that is three years. In most northern communities that is what it would take one individual to even accumulate enough hours to qualify for one level, and not all four levels.

For the minister's information, if you look at Level II, and I am quoting from totals of March 31, 1989: Level II, there were 12 courses and there were a 136 trainees that were taken on and there were 94 completions. What graduated out of that was 65 out of the 94.

Level III, there were 47, 30 completed, and there were 26 that graduated out of that 30. If you look at Level IV, which is your trades qualification level, there were 15 trainees that were taken on, all 15

completed and 12 graduated and got their journeyman tickets. That is up to 1989. The three that I know personally that failed had a chance to rewrite, and now they also have their trades papers, so now they are marketable anywhere in North America, not only in their own home communities.

But the big, important part that is missing here, that is, when we had the Limestone Training Program there were support systems in place to ensure that the aboriginal people had every opportunity to succeed. Because like I mentioned earlier, they did not come straight out of high school into big companies and into colleges and write their levels. A lot of them had worked years in their trade.

For one example, I will give you, when we talk about simulated training is because a lot of the construction that these individuals are working under were not big, heavy-duty construction projects. But you had to have the knowledge of the whole construction phase in order to pass your Level IV to get your journeyman status.

One example I will give you is, you had to know how to construct a spiral staircase. Now, you can tour all the reserves in Manitoba and all the northern communities you want, and I dare you to find one spiral staircase in any of those homes. I bet you will not.

But that is the kind of training that the individuals had to have, and so they had to learn it somewhere. So you had to have that simulated training in order to achieve that. These individuals—I have a hard time understanding this because I give them nothing but credit and admiration for the dedication they showed for themselves, their family and their communities.

These individuals came for a two-month training program—two months—and you know, Madam Chairperson, they trained seven days a week, 10 hours a day. That is straight, for one month straight, and then they went home for one week and came back. When you look at the percentage of graduates out of such a strict regimented training course as that, and how many of the aboriginal people stuck it out, you knew and you know that they were determined to try and make something for themselves in their own community.

So when I hear statements like this being raised in the House, I get very offended on behalf of those graduates who worked extremely hard to try and pursue a career that they chose, and worked very hard in order to complete. If you want, I will go a

little further on this report. If you look at the Levels I to IV, the completion rate was 69.2 percent. Levels I to IV, the graduation rate out of that completion rate was 69.5 percent. So where were all these people dropping out and not getting adequate training?

I was just in Garden Hill last week. One of the individuals I met was a graduate from that Limestone Training Program, and this individual had obtained his journeyman carpentry certificate. You now what this individual is doing now? He is the housing officer for the community. That individual is in charge of all housing construction, where in the past you never had aboriginal people who had that kind of opportunity, and you see that all over the North.

The other thing that the minister has to remember, and I hope she will consider when she does some future planning, is in order to be an apprentice and to serve in an apprenticeship program, you need to work under a qualified tradesperson. Now these aboriginal communities are having the opportunity of their own aboriginal people so that apprentices can work under these individuals.

In reality, if you look in another 10, 15 years, you will not have the situation that was faced in 1985, where you had three aboriginal journeyman carpenters in all of Manitoba. When we contacted every area and every place that we could to try and hire aboriginal tradespeople to train them to become instructors to train their own people, we found three. Now, if you looked at the records, you would see about 45 to 50. Most of those individuals are working in their own home communities, but also these individuals have the freedom of movement.

Where these individuals now have trades papers, if there is a big construction project, say in Winnipeg, these individuals can come down and apply for employment opportunities, because you know that there are 85 to 90 percent unemployed in most of those northern communities.

So when you say, how come we have such few graduates, how come the program costs so much? The cost is because there are additional supports there for the individuals. They had private tutoring in the evenings. There was a tutor supplied to them during the day. They had individual instructors who had to work with them to overcome a problem that they were facing.

If a person was on the verge of dropping out because they were the bread earners or the head of their family, whether it was male or female who was

on the training program, if they needed assistance at home, instead of them quitting the course to go and cut wood for their families, we even paid for a load of wood to keep that person in training. We did whatever was possible to try and keep these individuals to obtain their chosen goals so that we would have an improved labour market in northern communities, especially in the aboriginal communities.

Sure, that was only a first step, and sure, there was a low number of journeymen carpenters, but, as I mentioned earlier, it takes you at least two or three seasons to get from one level. If you multiply that by four, what you need to become a journeyman carpenter, you are looking at eight to 10 years to accumulate the appropriate hours to even write for your journeymen papers. That is only in the trades area where you lumped a whole number of students into one.

If I go further, you will see where heavy equipment operators were trained right in the communities. There were 22 courses. There were 229 trainees, 180 individuals completed for a 78.6 percent graduation rate. Most of those individuals now are working in their own communities. Who do you think builds and maintains our winter roads throughout northern Manitoba?

* (1450)

It is no longer the practice like it was in the past where you had contractors from the South that went up there and built those winter roads and had the contract to maintain them. It is the people in the communities. It is the community leaders and the reserves and stuff that now get the contract to deliver those services. They hire their own people so the money generated stays in their own community. That is the big area where I hope this minister will look at addressing and correcting.

Truck drivers, Class 1 with air—there are 17 courses, 143 trainees, 86 graduated for a complete grade of 60.1 and that is a licence. They had an examination that they have to pass under the Province of Manitoba. You know, Madam Chairperson, 90 percent of those individuals had very limited truck driving experience, because a lot of those communities only have half-ton trucks and not the big vehicles that they need to haul pulp and maintain the gravel in their own home communities.

If you look at those communities now, you talk to those individuals who participated in those training programs, talk to their community leaders, talk to

their leaders before you start making inaccurate statements that does discredit, not to the agency—that is the least of my worries—does discredit to the individuals who worked extremely hard, that made great sacrifices, had to leave their families for extended periods. Their families at home had to continue functioning on their own that made the great sacrifices in order to accomplish what they have accomplished.

This is not to defend Limestone training. I do not care what it was called. This is to stand up for the people who worked so hard for those 1,500 individuals who stayed and completed their training program. If the support systems are still there and if it is under KCC in Thompson, if that support system is still maintained in the classroom and with a simulated training program, that 35 you say which is now about up to 50 that have journeyman papers, should keep improving every year. Without that support system, I will tell you, Madam Chairperson, you are setting these individuals up to fail. So do not waste your time. Do not waste your money. It is not a discredit to the individuals. It is because they have been out of the school system for so many years and because of the occupation and the skills level that they have had to work under, because these individuals are used to building houses, not big major construction projects.

Just for your own information, when you knock the training agency, the employment stats as of February 1988—[interjection] no, I will table it for your information. I have already tabled it once, I will table it again. The employed at Limestone is 26.6 percent who had gained employment after graduation at the Limestone project. Employed elsewhere, that is within their own bands, within their own communities was 35.2 percent. Others who either returned back to school or relocated to the South or were working elsewhere was 15.6 percent. Out of 100 percent of the graduates there was only 22.6 percent who were unemployed.

Any given day, if you go to most northern reserves, you will see where the average unemployment rate is 85-90 percent. So I think, Madam Chairperson, that you will address this in a serious manner, and hopefully you will look, under your policy and your planning, to ensure that adequate measures are there to support the aboriginal people, because when we, some day, achieve the wish of aboriginal people of self-government, those skills will come in mighty,

mighty handy. So I offer you this information, and I will get some copies, and I will have it tabled here for your own information.

What I would like to ask is: Will the minister ensure that the proper support systems are in place at the KCC offsite in Thompson, Manitoba?

Hon. Rosemary Vodrey (Minister of Education and Training): Madam Chairperson, well, the member started out speaking about how I had offended him and his manner initially was extremely confrontational, so it is obvious that he has taken offence, and he made that clear. So I would like to start by trying to deal with his own feelings about this, which he has raised, and try and deal with his own sensitivities to this matter, and then let me deal with some of the issues which he has raised.

First of all, in dealing with his feelings and also some of the sensitivities that he has raised, let me really stress that the comments on May 14 were in no way ever intended to offend either the member or any members of his community from which he lives or where he represents or aboriginal people in Manitoba. On that day, they were in answer to a question.

In answer to the question, I believe I had said there were approximately 35 people who completed to Level IV, and in fact today I have the figures in front of me which say it was less than that. The figures that I have in front of me today say 14 people completed to Level IV.

First of all, in dealing with his feelings, let me say that there was no offence ever intended to him or to any people of Manitoba. In fact, the personalizing of that statement I suppose has allowed us to enter into further discussions, which I think may be helpful both to the member and to the people of Manitoba.

I would like to say, in starting, that the difficulties with the Limestone project were not the people, and that seems to be the line of argument that the member is trying to bring forward. In fact, what we have said is that the difficulties with the Limestone project was the structure of the project. What happened in that project was that there was a large number of people who were applying, and exactly as the member has said, it was very difficult to get the numbers of hours required to progress through to the Level IV. In that case, I think we are both speaking about the same thing. The structure of that project made it very difficult for those people to achieve what they had hoped to achieve when they set out.

What the effect of that is, is that the market was then flooded with people who had attempted a training program, had been unable to complete the program or completed the program at a lower level and not the level that they had originally intended. I do have some figures for the member also, in that these numbers come from the Limestone apprenticeship applicants as of March 20, 1990: 1,317 individuals failed to complete even Level I; 262 applicants did complete Level I; 81 completed Level II; 24 completed Level III; and 14 completed to Level IV, the journeyman or the journeyperson's position, which the member has been speaking about.

* (1500)

So I certainly acknowledge, as does this government, that structure was simply not working. There were many reasons and there were many causes. I believe the member has certainly discussed some of those, why people were finding it very difficult to complete. He has raised a couple of issues. The first is the issue of the adult learner.

There certainly is a recognition that adults do learn differently than children and that it is very difficult for some individuals. The member has spoken about people who are 30 years old, 40 years old or perhaps older, who are trying to return to an environment in which they were studying and they were students. I will tell you, I am a good example of that myself. I was 38 years old when I returned to law school, and that was not an easy task as an adult learner.

So there is certainly a recognition of this government and a personal recognition on my part that it is very difficult for adults to return to the classroom and to a training program, and that we have to recognize that those individuals as adult learners need some special supports.

The member has raised beyond that the issue of aboriginal Manitobans. Certainly, in the work that I have taken part in before I became minister, I do have a recognition that aboriginal Manitobans, in some cases, had a significantly more difficult time in school, because the school system has had to learn to become more sensitive to the needs of those individuals. So many of those adults of whom he speaks were people who, for them and for all kinds of reasons, perhaps did not have a very satisfactory earlier experience, for all kinds of reasons, and those individuals returning to a training program then do need some additional supports.

He has spoken of issues such as a tutoring program or some special recognition for their needs as students.

In addition to that, the member has also spoken of a recognition of some special needs because some of those individuals had to leave their homes and had to leave the places where they live and, in some cases, had to leave their families behind. That is very difficult, and there is certainly a recognition of that.

So I want to make sure in the first part of my answer that the member sees that those issues which he has brought forward in terms of the special needs of adult learners and adult learners who are aboriginal are certainly issues which I think are important and I am certainly very conscious of in any kind of work that I have done and that I hope to do.

He also then raises another specific issue, and that is an issue of northern Manitobans, and suggests that somehow there is not a sensitivity to the issues of the North, in particular, in everything he has raised so far. I also believe that he has made some assumptions regarding people who live in southern Manitoba. He has made those assumptions. I would like to simply raise that for the record to say that I do not necessarily accept without discussion those assumptions, but I do accept that his question wishes me to focus on the North. Therefore, I will limit my comments to the North, but to say that I recognize he did raise those, and I am not prepared to fully accept some assumptions which he has made.

Now I think it would be important to talk about, again, some of the reasons that the Limestone project failed. Again, I would like to focus on the fact that the Limestone project did not fail because of the people, but did fail as a result of the structure. We have spoken already within this answer, of the fact that there was great difficulty for people in reaching the Level IV or the journey person's point, and that many people did drop out of the program before that.

The difficulties seem to be that again it was very difficult for those trainees to get the number of hours required to complete for a higher level. So what we have done is make an effort to be sensitive, first of all, to the needs of northern Manitobans who are adult learners and northern Manitobans who are adult learners who are also aboriginal people. Today we have subsumed some of those Limestone programs under Keewatin Community College, and we will be focusing on the many issues which the

member has raised and which I have attempted to tell him, yes, I have taken in and have understood the points that he has wanted to make.

I would also like to say that we are attempting to deal with those issues in another series of ways which I think would be also really important, first of all, within our labour market strategy, within the new programs at Keewatin Community College and the particular sensitivity, actually I would say of all three colleges, to the needs of aboriginal students, and also through the Northern Economic Development Commission. We are very anxious to hear from that commission and to hear through that commission what the people of the North are saying, and also through our responses to Conawapa and to the northern training strategy.

But in summary I think it is very important that this point is made, that there should be a tie between the community-based economic development to the community-based training, and therefore to ensure that private sector employers such as Conawapa will hire our graduates, and that we are training graduates to a level and at an appropriate level that they are needed within the economic circumstances of the area in which they live, and that there has been a recognition of that as a particular concern in order to deal with some of the issues that the member raised in his discussion with me this afternoon.

Mr. Hickes: I would just like to ask for clarification, the number you gave me of 1,320, was that Level I or Level II? I did not quite catch what level that was.

Mrs. Vodrey: Madam Chairperson, that was the number of applicants who did not complete Level I training.

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

Mr. Hickes: Just to verify this, 1,320 people did not complete?

Mrs. Vodrey: 1,317 individuals.

Mr. Hickes: Failed?

Mrs. Vodrey: Did not complete Level I.

Mr. Hickes: Just for clarification, either they dropped out of the course or they failed. Is that what you are saying?

Mrs. Vodrey: In order to complete Level I, and I know the member knows this from his involvement, students need to complete both an in-class portion and an on-the-job portion. So these students failed

to complete Level I. They may have completed one or the other but did not complete both parts for some reason.

Mr. Hickes: Just to clarify that, and maybe further for the minister's education. When the recruiting was done for Limestone Training, any person that wanted to get into an apprenticeship program or take a trades training program was recruited at whatever level, even if they had no experience whatsoever. If they were interested in that trades program, that is what they were recruited for.

So when you refer to 1,317 that did not complete Level I, I would tell you 1,317 probably did not even take carpentry or even work in the carpentry trades area because you had anyone that filled out the form that wanted to become a plumber or an electrician, that is what they put down in their application form for training or employment at Limestone.

Most of those individuals that had no experience were never ever, ever called either for training or for work on the dam, because to work on the dam you need to have a certain number of years experience. So if the minister could just clarify that for me.

* (1510)

The other question I have is, if 1,317 did not complete Level I, on average you had 10 students, or at most you had 12 students to a class, that would be 130 classes. There is nowhere in the world that in northern Manitoba there were 130 Level I or Level II courses delivered, even if you want to go back 10 years. So if you could just clarify that for me I would appreciate that.

Mrs. Vodrey: Well, the source of my figures is the Manitoba Labour Apprenticeship branch. These are figures kept by them regarding the applicants and the completion rate by applicants, so the numbers according to this are accurate.

But what I would draw the member back to is, I think, the points that he wishes to make, not the numbers issue which he is specifically speaking about now, though if he wishes to continue talking about those we can. But it seemed to me the points that the member wanted to make were points other than the specific numbers. They seemed to me to be the points that he raised around the other issues of northern aboriginal Manitobans and training and what their specific needs are.

The member did ask me was there going to be any specific consideration made regarding the needs and the sensitivity to those particular

Manitobans? I have given him a list of initiatives put forward by this government in which there is a sensitivity, and which there has been a recognition. In addition, I have also personally spoken of some personal experiences in recognition of those needs.

Mr. Hickes: The point I am trying to make I will make very clear right now is that when I hear numbers and stats thrown around about northern and especially aboriginal people, when you say there are only 35 graduated from a northern program that was specifically earmarked for aboriginal people and when the next response I hear is 1,317 failed to complete Grade 1, that either says to me, just listening, that aboriginal people are awful dumb or are not committed to complete the course.

If you are going to have 1,317 failing a level, there is something drastically wrong there. I do not want that impression left out there that aboriginal people are not the brightest people in the world, because some of your very well-educated and successful individuals are aboriginal, whether they are lawyers or doctors or what have you.

The thing that I would like to see corrected here is the thousand that successfully graduated, the effort, commitment, be recognized and appreciated, not look at aboriginal people as total failures. If you have 1,317 failing Level I, what does that tell you? You cannot assume otherwise. That 1,317 is very clear in my mind. It is the individuals that I spoke of earlier that walked off the street and filled out applications to become apprentices or work in that field that never were accepted.

When there was recruiting done, there were thousands and thousands of individuals that filled out applications to work at Limestone and to take training programs. There were only very few, small numbers, that graduated.

The other thing, when we talk about various levels, the whole point is, hopefully the minister will continue the appropriate levels of training in trades areas so that the aboriginal communities will have their own people to draw from in the future. That is the whole point.

Mrs. Vodrey: Mr. Acting Chairperson, the member is the one who has drawn the negative inference. The member is the one who has taken a recognition of concerns that he has raised today, and also a description of what this government is attempting to do in dealing with those concerns, and also a personal recognition of those issues and has drawn inferences, and now wishes to attribute them to me.

Now, I would like it again stated for the record that these are, in fact, inferences drawn by the member. They are not anything which I or any member of this government has said. I think it very important on the record that my recognition of the concerns he raised earlier regarding the needs of aboriginal northern Manitobans, both their need to become trained and trained in skills which can be utilized within their own area or, as the member has spoken about, allows those individual Manitobans to have mobility throughout Manitoba, has also been recognized by this government and also by myself as minister.

In an effort to deal with the specific needs raised and recognized, I have spoken with him about the efforts of this government to deal with that, because there certainly has been a recognition of potential for northern Manitobans and northern Manitobans who are aboriginal.

The member has spoken about the need for special supports. In responding to him I have also accepted that we have acknowledged the need for some special supports, but never at any time did I make any reference or continue to draw some kind of inference about those special supports. That is clearly the member himself.

Mr. Hickes: The reason I kept pursuing this is because if any individual would have read Hansard the way it was worded before you made the clarifications, could have misinterpreted it and read the way I brought it out was to get it clear on the record, because I do not for one minute believe that was your intention when you made that statement. That is why I raise it again, hopefully that you would clarify it, so someone reading Hansard other than myself or someone sitting in this room would know that was not your intention.

I am glad you made that very clear, and in conclusion, I would just like to offer to the minister, now we have quite a few aboriginal people who are sitting as graduates of Level I and Level III, and in the future—I say in the future when Conawapa is built, whether it is the year 2000 or whether it is next year or whenever it is, whenever Conawapa or any major project in northern Manitoba, whatever the next major project is—that we have northern aboriginal people ready to go on a job site.

The reason it is so important to have aboriginal people sitting at Level II, Level III or Level IV is because that is the level that they are hired. You get very, very few Level I's on any job site. Those are usually filled by carpenters' helpers, and they

recruit more Level II's, more Level IV's. Where right now you say there are lots sitting out there in limbo right at that level, that is fine because if they continue their employment, even if it is a month at a time in their own home communities when there is a major project, they, if you keep the northern preferential hiring clause, should be the first ones recruited on the site and start accumulating their hours so eventually they will have their trades qualification.

I did not mean this to be confrontational, but I just had to get a few things on the record on behalf of aboriginal people as I mentioned earlier who sacrificed so much and worked so hard, and I know what you are saying when you say individuals, even in the South, sacrifice. They leave their families and everything else, but when you are in a remote northern community, sometimes it is very difficult when you are depending on the head of the household or a family member to go out in the bush and cut firewood, to bring back the heat so you and your family do not freeze. It is not like turning on a thermostat and you have adequate heat.

Also, in most of your northern communities the food source is wild game, and if you do not have someone out there hunting or fishing for the community, what do those families do? That is the point I was making. That is the difference between an apprentice in the South and apprentices in remote northern communities.

Mrs. Vodrey: I am very pleased that I was able to clarify for the member so that he does have a better understanding when he now goes into his constituency, when he now goes into the North and he is able to talk about an awareness and a recognition of the issues that he has raised today. I am pleased that we had the opportunity to talk about it and so that I could share with him some of the, I think, important areas through our discussion, both on recognition by this government and also a personal recognition.

Again, this government did learn from Limestone. We learned about some of the structural difficulties being one thing and the difficulties as they affected people, which I think is the point that he would like to make, being another. So again, I am pleased we had the chance to discuss it.

* (1520)

Ms. Rosann Wowchuk (Swan River): I have a couple of questions that I want to ask on behalf of the member for Interlake (Mr. Clif Evans). He had

another commitment, but the issue affects both of our areas and that is to do with First Year Distance Education. I want to ask the minister: Has the policy of the government changed or what is her position on First Year Distance, the success of the project of First Year Distance Education?

As we look at this program, it is a real blessing for people in rural Manitoba. We all want the opportunity for our students to go to university but in many cases that is unrealistic. There are many people who cannot afford to go to university.

When this program was devised, we thought it was very, very useful, not only making it more easy financially for students, but also we know that statistics show us that many students who leave their home the first time have a very difficult time and have a very low success rate in their first year of university, so this would be quite useful.

We see that the project has only been offered in a few areas. I want to ask the minister, as she looks at the results from the area that the program has been offered in, has the policy of this government changed or are they pleased with the way it is going and are they looking at expanding the program?

Mrs. Vodrey: Let me start off by telling the member that the issue of First Year Distance Education falls under the appropriation for the Universities Grants Commission. That appropriation is 16-6. I would ask that you hold the member to the line, because the discussion does not fall within this appropriation at all. However, I will make a comment on it, because I would not leave for the record the comments that the member has made, unanswered at this time.

First of all, she has raised the issues of concerns for access, and she has also raised in a specific way the issues that many people have leaving their homes and going away to university in the first year, which affects many Manitobans. I recognize that she is raising an issue from her constituency and from the constituency for a colleague of hers, and we are, as a government, very concerned that young people do have access to university programs.

First Year Distance Education was a pilot put forward in order to allow young people to study within their home community and to not have to experience some of the issues and some of the hardships which the member has said may cause some of those young people to drop out in the first year of study. It allows them to experience the

course of study, and then if they decide that course of study is appropriate for them and is one that they are particularly interested in and wish to pursue, it has given them a good start.

However, I will remind the member, as I have answered her previously, that this was a pilot project, that it is in the process of evaluation at this time, and that the extension during the pilot process and the evaluation process at this time is not advisable, but I will tell her that there is a recognition by this government of the interest in Distance Education by many parts of this province. We have as a result of that formed a task force on Distance Education, so not only is there this pilot project and its evaluation about the way this pilot project is functioning, but in addition we have a task force looking at Distance Education and the potential of use for Distance Education and a number—That task force has a very good scope.

Again, I would like to leave for the record our interest in the area of Distance Education, our recognition within this province of many people's interest in Distance Education and the effect of Distance Education allowing young people to remain within their home community or in the K to 12 side perhaps to remain in their home school. But a discussion of the details of this falls under the appropriation 16-6 Universities Grants Commission.

Ms. Wowchuk: As we are looking at this post-secondary policy of this government I want to ask the minister then, as we look at post-secondary education and Distance Education as it is a pilot project that is reviewed each year, is this government satisfied, has it made any changes in its policy since the program was first established, and are they looking to expand? What are this government's plans with First Year Distance Education and other outreach education programs from universities and community colleges? Is this government prepared to expand and offer supports to the rural community?

Mrs. Vodrey: Mr. Acting Chairperson, I will again remind the member that First Year Distance Education which she is referring to is a university level training. It does fall within the appropriation of the University Grants Commission, and I would ask the Acting Chairperson to please hold the member to the line.

Mr. Reg Alcock (Osborne): Mr. Acting Chairperson, I would remind the minister that we are discussing the division, Post-Secondary, Adult and

Continuing Education and Training which includes the Program Analysis and Policy Branch of this division. Surely the Policy Branch is one that has division-wide responsibilities and can be expected to answer some of the questions of a policy nature that affect this particular program.

Mrs. Vodrey: Well, the member wishes to associate himself again very closely with the questions of the NDP party. So let me give him the same answer that I gave the member from the official opposition, that First Year Distance Education does not fall under this policy area. It does fall under the appropriation related to the Universities Grants Commission. PACE, which we are discussing now, does not administer or set policy for Distance Education and Training or First Year Distance Education.

* (1530)

Ms. Wowchuk: Mr. Acting Chairperson, as we look at the outline here, the activities identified include conducting research and analysis of existing market issues and trends in supports. I want to ask the minister then, is this department conducting any research? Is this the department that is analysing Distance Education and other courses that can be offered in the rural community? Does this department have any role in that, and if so what are they doing?

Mrs. Vodrey: I would like to refer the member to Hansard when we discussed appropriation 16-3(g)(2) which is Distance Education and Technology. That appropriation has been passed. There was discussion within that appropriation. Questions were answered within that appropriation around Distance Education.

The policy for Distance Education does fall within the DET or Distance Education and Technology Branch, again, 16-3(g)(2) which has been passed. The specifics, if she would like to ask more regarding the First Year Distance Education, those questions should be asked under the appropriation for the Universities Grants Commission where that is considered.

Ms. Wowchuk: Mr. Acting Chairperson, I am trying to ask the minister what research is this department doing before they set policy? What have they done to look at the value of offering different types of education in different parts of Manitoba? I am sure this department must do some of that—that is policy. Are they conducting any research? Let us not deal

specifically with Distance Education if that is bothering the minister so badly. What research is this department doing to provide post-secondary, adult and continuing education and training in other parts of the province?

Mrs. Vodrey: The member is again attempting to attribute to me some particular feelings of concern. I draw her back to factual issues which I have answered now, I believe, four times to say that this particular branch does not do research into Distance Education. It is the Distance Education and Technology Branch which does research into the area of Distance Education. This appropriation has now been passed. Questions were put at that time and could have been put by the member at that particular time.

In addition, the task force on Distance Education is also examining some of the issues which the member would like to discuss and I do expect to have that task force report to me. Again, I would remind her in the area of First Year Distance Education, that should be discussed under its appropriation, and I believe, Mr. Acting Chairperson, that is the method, that is the practice of this House in terms of Estimates and the other side has been extremely concerned about the practices in this House, so I would refer her to the appropriate appropriation.

Ms. Wowchuk: It appears that either research is not being done or this minister does not want to share it with us, so I will move to another area.

Point of Order

Mrs. Vodrey: Mr. Acting Chairperson, on a point of order, I have answered the member exactly where that research is being done. She does not appear to wish to accept where that research has been done and she missed her chance to ask the questions in that appropriation.

The Acting Chairperson (Mr. Svelnson): Order, please. The honourable Minister of Education does not have a point of order.

* * *

Ms. Wowchuk: Just on a point of clarification, I would like to let the minister know that I was in other Estimates that relate to Rural Development and the rural community. I did not have the opportunity to ask them at that time. I will wait for the next line on that particular issue.

However, another area that is covered here is policy direction on Manitoba Student Financial Assistance programs. The minister is well aware of the fact that it costs rural children much more to go to university than it does urban children. She is also well aware, I am sure, of the financial crisis that is facing many rural communities and the disappointment that many rural and northern children and families felt when the government decided to cut back on education funding, particularly ACCESS and other programs.

I want to ask the minister: What is the overall direction and have they done any work on this to look at the impact of the cost of education for rural children versus the urban children and the impact that this has on that family? What is the direction of this department in supporting rural children to get an education?

Mrs. Vodrey: I am pleased to talk about the policy issues here. Some of the details relating to student aid will have to wait for the student aid appropriation, which is 16-5(g). But in terms of the policy area, first of all, there is a concern and definitely consideration given to make sure that the Canada Student Loan and its program are administered fairly.

Certainly the member is referencing some of the really well-known financial difficulties that are part of the rural area. As minister I have met with a number of rural people face to face who have spoken about the particular concerns that they have. The concern seems to relate to the issue that on paper rural people appear to have significant assets. But the difficulty for those individuals is that they do not have the cash flow, so they do not have the ability with cash to do what their assets appear to suggest that they should be able to do.

So there is a recognition of that. In recognition of that particular difficulty, two years ago we did exempt farm assets in the student loan, also small businesses as it relates to farm. We also added an exemption for vehicles for those young people who did have to travel back and forth, and that vehicle was a necessity for that person either to attend the program they wished to attend, or if they were living away from home and attending that program but wished to return home for that kind of contact.

There is certainly a recognition on this side of the House that all students are not necessarily young people. All students are not necessarily those young people who finish Grade 12 and then progress sequentially on to post-secondary training,

but that there are a number of people who fall into the student category who would wish to access student loans and bursaries, who in fact are people who already have families, who need to have, in the case of the vehicle, that vehicle to return home for that family involvement and family contact.

So that certainly is recognized, No. 1 through that exemption, and No. 2 by the recognition that all students are not necessarily young people, single and unattached.

* (1540)

In addition, in Manitoba we provide bursaries and loan rebates. That is different than the additional provincial loan which is the process in other provinces in Canada. The important part of the bursary is that then students are not saddled with an additional debt load when they finish. They are not then indebted for the Canada Student Loan and also a provincial loan, but the provincial portion is given in the form of a bursary.

In addition, I would like to draw the members' attention at the community college level, in particular, the establishment of regional centres to support residents of rural Manitoba. The regional centres then allow young people to study, or adults who wish to study, or adults who wish to retrain to study at regional centres which are much closer to their own homes. They are not necessarily so disrupted as they might have been if they could only study in one, single location.

So those are some of the policy directions which this government has moved towards in order to support rural Manitobans through a recognition of the concerns of rural Manitobans right now.

Ms. Wowchuk: Mr. Acting Chairperson, I am glad that the minister understands that the situation in rural Manitoba is different than in urban Manitoba.

She mentioned the part about the assets making it more difficult, but there are also many students who do not have any assets, and many students who cannot get enough bursaries to cover their costs.

Just on one question, I wanted to ask the minister, before I go into my next question, on bursaries. The student's mark, what is the percentage point? Is it just a pass mark? How is the bursary allocated? Does a student have to pass the course? Does a student have to get a certain mark or how do you get a bursary?

Mrs. Vodrey: That is an example of the detail as it relates to the student aid program, and the student aid program is again a separate appropriation to allow this kind of discussion and detail. That appropriation is 16-5(g), and if the member would like to ask that detailed question within that appropriation, we will be able to provide her with the information.

Ms. Wowchuk: What is the policy? There must be a policy on bursaries. Is there a policy from this department on bursaries that outlines how bursaries are dealt with?

Mrs. Vodrey: Well, I can certainly give the member some information at this time if that would be helpful. First of all, to tell her that the government has established Manitoba bursaries. They are not based on academic achievement. You do not get more or less of a bursary if you get an A, a B or a C for a student.

We do have policies for post-secondary loan and bursary programs. We do have a policy for the types of assistance and a policy relating to Manitoba government bursaries which simply states that Manitoba Government Bursaries are awarded to post-secondary students whose needs exceed the assessed Canada Student Loan maximum. These bursaries are usually paid in one sum halfway through the program.

Then we also have loan rebates. A loan rebate which is a portion of the Canada Student Loan which is repaid by the government of Manitoba at the time the student begins repayment of the Canada Student Loan. The eligibility for this loan rebate is determined by using Manitoba Government Bursary criteria.

In addition, there are some special post-secondary bursaries which might be of interest to the member. The Prince of Wales, Princess Anne, Metis and non-Status bursaries which are awarded to Metis and non-Status students attending post-secondary institutions in Manitoba or attending a designated Canadian post-secondary institution offering courses which are not available in Canada.

We also have special opportunity bursaries for students with disabilities. These bursaries are available to both full and part-time post-secondary students. They are designed to provide support for the extra services that disabled students require which are not covered by other support programs.

In addition, we also have mature student bursaries. We also have a pilot bursary program for mature students. We also have special opportunity adult basic education bursaries which the member might also be interested in, which cover the direct educational costs such as tuition, books and supplies, and transportation of students enrolled in adult basic education at the community colleges. Living allowances may be applied for through the student social allowances.

So the member has been interested in the kinds of student bursaries and the kind of support that has been available to students. I hope I have been able to provide her with a range of the kinds of bursaries available because it seemed to me in her questioning to me, she wanted to make sure that this government had an awareness that all students are not the same when they are attempting to enter a post-secondary program.

As she mentioned, some students have assets, some students do not. Some students come from families in which their families have assets, but that does not mean that the family itself is able to necessarily provide the cash that the student will need in order to progress through the post-secondary program. In addition, as I spoke earlier, we recognize that all students are not young people who are sequential students, but there are a number of mature students who also need some additional support.

We also have had, and it certainly has been important for the other side of the House to recognize our support to people with special needs. I have discussed the bursary for students with special needs.

The Acting Chairperson (Mr. Sveinson): Order, please.

Mrs. Vodrey: I believe I have the floor, Mr. Acting Chairperson.

* (1550)

I have also spoken of the bursaries that are available to Metis and nonstatus students or people studying. I believe the member did ask me what were the policies. The member for Osborne (Mr. Alcock) has also expressed his interest in the area of policy and expressed it to the member who has presently asked the question. So what I have attempted to do is provide for her a listing of the kinds of policies and considerations which we provide in the bursary area.

Ms. Wowchuk: I asked a very simple question. I asked what was the policy on grade point average? That was all I wanted to know, but since the minister has chosen to be so elaborate, I will thank her for that information, and we will get on to another area.

Mrs. Vodrey: Excuse me—

The Acting Chairperson (Mr. Sveinson): Order, please. The minister would like to comment on that.

Mrs. Vodrey: I believe if the member checks Hansard, she will find that she did not at any time mention the words "grade point average."

Point of Order

Ms. Jean Friesen (Wolseley): Mr. Acting Chairperson, we will check Hansard but I believe that the member for Swan River (Ms. Wowchuk) did ask about the grades that were required, the marks that were required. Now, if the minister does not make the connection between the word "marks" and grade point average, then perhaps we will have to ask it again. But I found that last answer, in fact—

The Acting Chairperson (Mr. Sveinson): Order, please. The member for Wolseley (Ms. Friesen) does not have a point of order. It is a dispute over the facts.

* * *

Mrs. Vodrey: I am not sure at all what is inappropriate about the answer that I gave, which said, that bursaries are not tied to an A, B, or C. That was the first part of the answer which I gave the member.

Ms. Wowchuk: Well, I think the minister knows that I am very concerned about rural students and the financial situation they are in. Many of them do not have the ability to raise the necessary funds. We are looking for every possible way that we can get an education for all people, no matter where they live, so that they can fit into the job force when we finally have some real jobs in this province, or new jobs.

I want to know whether this department is looking at the finances, whether they are looking at the people, doing any studies in comparing the people who are using the loans, whether they are looking at doing any changing to their overall policy to address the needs of those children, those students, whether they be young or old, and whether they are looking at changing the policy so that all people can

have the finances to attend either university or post-secondary education.

Mrs. Vodrey: Mr. Acting Chairperson, well, I certainly too have a concern about all Manitobans who wish to pursue a post-secondary education and find themselves in financial need in order to do that.

I will remind the member, tell her again, that the Canada Student Loan program is a federal program, and that federal program is then one in which they set the principles, and they set the federal government—let me be, again, underscoring that particular issue—the federal government sets the weekly loan limits.

Now we in Manitoba have expressed a concern, and I have certainly answered this question in the House that we do have a concern about the level of the weekly loan limits. So I did attend a meeting, I believe it was in March in Ottawa, with Mr. de Cotret, the Secretary of State who is responsible for the Canada Student Loan. I, along with Ministers of Education, post-secondary education across Canada made a strong case to him that the issue of weekly loan limits was of great concern to us in our provinces.

(Madam Chairperson in the Chair)

So we have expressed concern. I as minister have gone to Ottawa to meet the federal minister responsible and made that case also. We in Manitoba can assist through our bursary program. Our bursary program, as I have described to her in my last answer, is such that it is a bursary not a loan program, so that it does not add to the student debt at the end of the period of study.

This government has enhanced the bursary program so that there is more money available within that program. Now, the member has also asked for any kind of research or analysis. That research and analysis is a detail which I will remind her falls under the student aid appropriation, because that is where the work has been done. I will be very happy to discuss the analysis under the appropriate 16-5(g).

Mr. Alcock: Madam Chairperson, it is indeed a pleasure to see you back in the Chair.

Well, I would like to start, perhaps just to ensure, and I was interested in the comments the minister has made on student aid. I think it is true that this government is concerned, as all governments are concerned, about the level of student aid that is available.

I think it is disgraceful that the federal government has not moved on increasing those levels for some—is it not since 1984?—eight years that they have not been increased? I am pleased to hear the minister say that she has been advocating, along with other ministers, for an increase in those numbers.

Can the minister tell us whether or not, based on the discussions they have had with the federal minister and the subsequent follow-up presumably within the department, as to whether there is any sense that those rates will increase?

Mrs. Vodrey: In my meeting with the Secretary of State, these issues were raised to him directly by me, as minister, and also by our department.

The minister of State did say that he recognized the concerns around the weekly loan limit, that he was examining the weekly loan limit. But he did not tell us, he gave us no commitment, about when that weekly loan limit might be raised or by how much.

* (1600)

The issue appears to be contingent upon the savings by the federal government by reducing the default rate of the Canada Student Loan and also by the banks accepting some responsibility for the risk and the collection of a student loan.

Mr. Alcock: I commend the minister for the stand that she has taken. I wonder if she could clarify—and I realize, she is not the federal minister. I do not expect her to answer for the federal minister. I do not intend to hold her accountable for the actions of the federal minister. I think she has made it clear that she is advocating, on what I believe is the correct side of this issue, and I will undertake to support her in that.

But did I understand that her representation of the federal minister's position was that it was the default rate that led them to freeze the support rates at the '84 level?

Mrs. Vodrey: Well, I appreciate the member's comments. I would not want to speak for the federal minister, and I would not want to even attempt to interpret his particular position. I think he should be here himself.

On the other hand, what I certainly understand about the issue is that this is a multifaceted issue in terms of the number of issues relating to the Canada Student Loans and, in specific, the weekly loan limit that we have been speaking of. At this point, I can tell him that the federal government has reported to

us that they will be negotiating with financial institutions to reduce defaults and to share in the risks of the Canada Student Loans.

I have said that it is multifaceted. One of the facets is the issue of the negotiation with the financial institutions to reduce the default. If they can reduce the default, they have reported to us that they believe they can generate a savings of up to \$160 million. If they can generate that amount of savings, then it perhaps would be that money then may be available to assist in the Canada Student Loans Program. The federal government has also told us that they will, and I believe they announced in their budget also, wish to eliminate that 3 percent guarantee fee. We have also been interested in speaking with them around an issue that they raised of increasing, from 60 percent to 80 percent, course load.

Also, they have spoken of a number of other issues. They have talked about eliminating the six-month interest-free grace period upon completion of studies. So I did raise that particular issue with the minister also. They may increase the living allowances we have been speaking of and weekly rates and weekly loan limits if, and again this is something that we have no positive commitment on, we have not yet seen any action on, that if some money can be saved then through these processes, then perhaps the weekly loan limits may be raised.

Mr. Alcock: Before I continue with questions, might I serve notice to you and maybe through you to Hansard that the mikes here are not working terribly well. I have changed over to the next member's desk and it is a little bit better. I mean, the minister is speaking clearly, but with my earphone I cannot hear her responses. I do not think the minister speaking up would assist that. I think it is an electrical problem in the system, so perhaps Hansard could be asked to check it or whoever does these things.

Madam Chairperson: I thank the honourable member for Osborne for drawing that to our attention. Just one question for clarification, does the honourable member suspect it is the ear piece?

Mr. Alcock: Well, I am hearing better from this desk. I am still getting some static, but I do not hear at all from this desk, and I am using the same ear piece. We could try a new one. I am game.

Madam Chairperson: Okay.

Mr. Alcock: Let me start with this question of the banks taking more responsibility. Is it the sense that the banks have to assume a greater proportion of the risk involved in offering these loans? Is it the position of the federal government that the banking institutions that provide these loans have been irresponsible perhaps in their follow-up report—irresponsible may be too strong a word, and I do not want to put words in the minister's mouth—but that they have perhaps been lax in following up in defaults, because they do have this federal government guarantee? Is that the concern that has been raised?

Mrs. Vodrey: I would like to again state very strongly that I do not speak for the federal government, but there is a recognition that there is a very high default rate for Canada Student Loans. The issue is that Canada, at this time, underwrites all costs of the Canada Student Loan.

The bank's role, at this point, is to send to a student two letters in which they request the payment. Where that payment does not occur, Canada then pays the loan. The concern is that banks have, in the past, a record of following up very strongly on commercial loans. There has been a suggestion by the federal government that if banks would keep a closer contact with students, perhaps a more personal contact, then banks might be aware of the personal situation of students who are not able, or who for some reason have failed to repay the loan.

Through that more personal contact, perhaps the default rate might then be decreased and the collection of the loan may improve.

Mr. Alcock: Since the minister has taken the time to stress once more that she does not speak for the federal minister, I want to assure her that I do not expect her to. I say this with all sincerity. It is not often we get a chance to hear directly from a minister who has had recent conversations with the federal minister on a particular policy, and I have no intention of holding this minister accountable for the federal government's policy. I do accept at face value her assurances that she has made representations to the contrary.

But I am very interested in this area because it strikes me as a very curious policy that the federal government has taken, when the objective or the stated objective of the federal government as well as the provincial government is to increase or maximize the number of people who take advantage

of higher education. They seem to be following a policy course which does leave this minister with very few options that is limiting the ability of students to avail themselves of higher education. I would like to try to understand, through the minister, who has had the most recent and closest contact with the federal minister, exactly what the reasoning is behind that, because at this point I must confess I do not understand the logic of it.

* (1610)

She has explained to me the issue relative to the banks. Is it her belief that it is only if—and I recall her stating that there was no guarantee, that there would be increases, but that if there was to be any hope of increases, those increases were contingent through greater follow-up on defaults and such that if this number of some \$160 million was to be realized, is there a commitment to reallocate that?

Mrs. Vodrey: Madam Chairperson, again, I would like to say that the discussions which I had with the federal minister were very broad. I raised the issues which I have spoken about today to the federal minister. The discussions were very preliminary in that any changes then would need to be placed in legislation.

There was, however, as I am sure the honourable member knows, a commitment in the federal budget to drop the 3 percent guarantee and to increase the weekly loan limit. The budget did say that savings found through some of the streamlining mechanisms would be reinvested in the program. However, at this point we really do not know how much money will be recovered, and again, the decisions—and we do not know how it will be recovered. So though we have some broad commitments, we do not yet have the details of how much and exactly how that will occur, and neither have we seen any draft legislation, which, again, legislation would be necessary to make these changes.

Mr. Alcock: Madam Chairperson, another statement that the minister said, as a result of those discussions, was some thought in increasing the course-load requirement from 60 to 80 percent. I wonder if she could clarify the source of that particular suggestion.

Mrs. Vodrey: The issue that the member has raised, again, was a suggestion raised by the federal government, discussed as a possibility by the federal government. The federal government

addressed a number of issues. We as provincial ministers of Education pressed the federal government, the federal minister to discuss some of the details of a restructuring of the Canada Student Loan plan, which he had invited us to Ottawa to discuss.

We wanted to know, as provincial ministers, where some of this money, which is needed, might come from. The federal minister spoke of recovering some money perhaps through decreasing those numbers who default, and secondly, the federal minister raised, as a suggestion, increasing the course load from 60 to 80 percent.

However, the provincial ministers did press the federal minister on that particular issue, and the federal minister did express then some recognition of the needs of what we had called special needs students, special needs students including people like single parents or underprepared learners who are not able to cope with such a full or large course load.

Mr. Alcock: I believe also the concern has been because of the increase or the failure of the federal government to increase the support levels for the past eight years, that this has forced students to work longer and longer hours to supplement their income in order to meet basic living expenses. To force up the course load requirement would also put incredible—it would catch students in a real Hobson's choice, because if they are really trying hard to achieve and maintain their grade point average, and at the same time work enough to put money in their pockets, they seem to be being squeezed on both sides: no increases in basic living and all of a sudden a requirement that they spend more time in studies.

So what I would like to know is: What is the policy of this government on that suggestion?

Mrs. Vodrey: Madam Chairperson, certainly I recognize the issue which the member has been discussing. The federal government did discuss with us on that day a general policy by the federal government to increase course load requirements from 60 to 80 percent.

The provincial ministers and I, on behalf of Manitoba, raised some concerns around that raising of the percentage of course load for some of the reasons that the member has spoken about: No. 1, the time required by students to then work at jobs to assist in supporting themselves. We also wanted to

make sure that the needs of those special groups of learners, special needs learners who are sometimes single parents—because one other very important point that I raised with the minister was that those students seeking Canada Student Loans are not necessarily all sequential students.

* (1620)

I think it is very important for us to recognize that there is some mythical sense that all students are young people who have just finished a high school program and are continuing on sequentially, because we recognize now that in fact is not the case. The member for Point Douglas (Mr. Hicke) raised that in his remarks also, that for many reasons people are not able to continue their education until they are mature adults with other kinds of responsibilities.

So as a provincial minister I wanted to press the federal minister on that particular issue, in specific, but as provincial ministers we did recognize the need that there had to be some assistance in the weekly loan limit and therefore some recognition to restructure in some way. So we were very interested to hear what the federal minister had to say and to have an opportunity to respond to the federal minister.

Mr. Alcock: Madam Chairperson, I am certainly supportive of the concerns that the minister has raised, and I am pleased that she has raised them with the federal minister.

I know the member for Wolseley (Ms. Friesen) has a couple of questions. I will yield the floor, although I want to come back to this question of restructuring, because that word in the dictionary of a Conservative minister, to date, has caused me great concern. Perhaps this minister will prove those concerns groundless.

Mrs. Vodrey: Madam Chairperson, I would have appreciated some clarification about which minister the member for Osborne is speaking of. I am assuming that he has raised some concerns regarding the federal government, which he has raised in this House before, and he may have many reasons for wishing to raise those concerns. So I think it is very important that it be clarified on the record that he has been speaking of an issue which is within the policy area of the federal government and the federal minister, the Canada Student Loans Program, and that as provincial ministers we did attempt to raise the concerns of the people of our

province and I, in particular, to raise the concerns of Manitobans.

Ms. Frlesen: Madam Chairperson, the minister has been talking about the different proportions of students who are sequential students and those who are continuing students, in some way or other, and who fall under different kinds of family and economic categories.

I wonder if the minister could tell us what proportion of the post-secondary students in Manitoba are in fact in that age group that we might call sequential students, and how is that defined in Manitoba? Is it the age group 18 to 24?

Mrs. Vodrey: Madam Chairperson, those details of those students and their status as they apply for student aid would be available for discussion, because they are very specific, under the appropriation for student aid, and the appropriation again is 16-5(g).

Ms. Frlesen: Actually, I was not asking about it in reference to student aid. I was asking about it in terms of the overall post-secondary students. What proportion of the post-secondary students in Manitoba fall into the sequential category, what proportion fall into the other category?

Mrs. Vodrey: We would have to look into that statistic number that the member has asked for. We would not necessarily have information about students as sequential learners; we would have some statistics available by age of students attending programs. On the university side, it would also require some contact with each of the universities for their statistics relating to the age range of students within their programs.

I am informed, however, for the colleges, for the member's information, that approximately 7 percent of the college full-time daytime enrollment are sequential students. That leaves, then, approximately 93 percent who are not sequential learners or who have been out of school for one year or more—that one year being the pivotal point.

Now that 7 percent, as we discussed earlier in our discussion in Estimates, would be considered low, and we are taking steps through the colleges and the college programming, and discussion with high school counsellors and other moves, in terms of having people look at the colleges as a very viable alternative for sequential learners to then move into the programs that are available at the colleges.

Ms. Frlesen: I look forward to receiving that information. But do I understand the minister to say that this department, without contacting the universities as a result of this question, does not collect the statistics on the age ranges of people in post-secondary education?

Mrs. Vodrey: The ranges are reported by the universities to Stats Canada, so we would certainly have it available through that mechanism.

As I said to her, we could get that. We do not have it with us today for the colleges, but we could certainly get it for the colleges. The universities are more autonomous than the colleges. The Universities Grants Commission does not maintain that specifically within the Grants Commission.

In terms of all post-secondary, yes, we can certainly get that information for the colleges; and in relation to the universities, yes, we can obtain that information from the universities because of their autonomy. Also, it is available, and certainly available to us and to the member, through Stats Canada.

Ms. Frlesen: I will ask some questions when we get to the Universities Grants Commission on the kind of statistics which they keep and the relationships between their information and the government's planning process.

* (1630)

I understand that the minister then has access to the same Statistics Canada material that everyone else does, and that the department then does not make any further attempts on a general basis, on a continuing basis to keep those kind of, I guess you would call them generational statistics within post-secondary education.

Mrs. Vodrey: I appreciate the member saying that she will wait until we reach the appropriation for the Universities Grants Commission. At that time we can discuss the database which the Universities Grants Commission does maintain and also the available databases and other data available to the Universities Grants Commission, because certainly our statistics do not only come through the Stats Canada report.

Ms. Frlesen: At that point, Madam Chairperson, one of my interests will be the relationship between the department and Universities Grants Commission.

I wanted to follow up on some of the questions that the member for Osborne (Mr. Alcock) was

asking relating to the extensive hours that students now have to work. It is not an issue that is confined to post-secondary education. It certainly is there in the high schools, and it is increasingly there at lower and lower levels within the high schools. You do not have to talk to any high school teacher for long to know that you have good proportions, 20 to 30 percent of some schools, where children over the age of Grade 10 or 11 are, in fact, putting in 30-hour weeks.

I do not have those kinds of statistics for the universities, but I do know that the Statistics Canada material for Manitoba showed that the Manitoba student in the age group 15 to 24 was, in fact, working longer hours than any other student in Canada.

I wonder what opportunity the minister has had to reflect on that—I believe those were numbers that came out in February or March—what opportunity the minister has had to reflect on that, what kind of policy direction she thinks her department might be considering, first of all, perhaps in terms of research to verify this?

Mrs. Vodrey: Madam Chairperson, I would like to start by saying that I recognize the issue that the member has raised, and certainly share the concern that students, both at the high school level, for many reasons, are working outside of their time in which they would attend school, and some of that time then spent working, particularly at the high school level and then in the post-secondary level, limits the time that those young people or adults have available then to do the kinds of project work, reading, homework and engagement within the studies which might help them. Because one of the issues which we have spoken about is also the engagement of students at all levels so that we do not lose them and that they are able to come to completion of the program.

So I would like to start by saying I recognize the issue and that we, as a government, also have recognized the issue. In terms of the research, we do not wish to duplicate research which is already being done in other areas, and so—the research issue again—we look carefully at what is already available to us. We have found that there are students who are working more than 10 to 15 hours a week, and by working more than that they are sometimes putting their studies in jeopardy. Certainly there is a recognition on all sides of the House of that issue.

One of the things that we have done as a government is to increase the earnings exemption for students so that they are able to keep more of the money that they earn, and previously they were not able to keep that amount of money, and so it was not seen as a resource. So it has been important that we have been able to increase that earnings exemption.

We have also, over the past number of years, increased our contribution to the Student Financial Assistance program so that there is more money available for those people who are studying.

Ms. Friesen: Madam Chairperson, I raised this for a number of reasons. One, obviously, is the condition of the students themselves and the way in which this affects, in some cases, their physical health as well as their intellectual abilities and their ability to participate in an educational culture.

I was pleased to hear the minister suggest 10 to 15 hours as an ideal. I recognize it is an ideal, because certainly it seems to me that beyond that there is a harm to a student who is in full-time studies. It is not something which is said very often in Manitoba, it is not something which is often held out as an ideal. Too often, I think, we hold out the ideal that the work itself is more important than the study, and that kind of attitude has been conveyed to students through media and in many cases, I think, through a kind of public culture, which I would hope that any Minister of Education would attempt to change or to alter.

But there is another reason too, and that, of course, is that students who are working longer and longer hours are also taking many more years to complete their studies. I wonder what research the department has done on that at the university level and at the community college level. Have they related it to the impact on the economy, the fact that we are in fact delaying, perhaps in some cases by policies, in some cases by absolute economic necessity of some families? But we are having an impact upon the nature of the Manitoba economy. So I am not looking for finite answers. I am looking for interest in the question. Are you doing the research? Are you asking those kinds of questions?

Mrs. Vodrey: Madam Chairperson, again, I understand the issue that the member is raising in terms of the prolonged number of years, and to add to that, sometimes the concern of prolonging the number of years is one of the issues which then

causes students to not complete a program because six years instead of three years looks a whole lot longer to finish and so people then sometimes lose the momentum that they have built up.

In terms of the kinds of research that we as a department are doing, at the moment, no, we are not doing any particular research on part-time employment as an impact on students' ability to complete a course within the established time frame. We are aware that the majority of students, to this point, are in fact completing within the established time frame, because Canada Student Loans does keep that information, in that they keep the information for the established length of the program plus one year.

* (1640)

However, we are also aware of the fact that in some of the very technical training programs, and by example I would like to use engineering for one, that engineering which is presently a four-year program is one of those programs in which students by and large have taken longer than four years to complete it. Also, we have found in some of the very highly technological programs, two-year diploma programs, that in other provinces they are now offering those two-year diploma programs over a three-year period, because the course material itself is so sophisticated and challenging that in those areas students are spending a longer time completing the work.

We do not have any specific information relating to those areas which talks about the fact that those students are working, in terms of part-time employment, and that being the reason for the extended period to study in those areas.

Ms. Friesen: Can I just clarify the answer there? When you said the majority are completing, are you referring specifically to colleges?

Mrs. Vodrey: The information, I am informed, relates to full-time students. That information comes to us through Student Financial Assistance through the Canada Student Loans Program so it would not be restricted only to the colleges or only to the universities.

Ms. Friesen: So it refers to college and university students in Manitoba. That is fine, that is what I was looking for. Then, I am, in many ways, even more surprised by that answer, not by the answer but by the statistics.

I mean, I have not met a student lately who has finished anything in the three or four years of the degree requirement. I do not think my experience is that unusual. First of all, I guess there is a bias to this statistic, because it is based upon student bursaries, and then, second of all, what does majority mean? Does it mean 51 percent, for example?

Mrs. Vodrey: I would like to again direct the member to the appropriation 16-5(g). Some of the details which she is requesting now do go beyond the policy and go into detailed information, but, in short, an answer for her is yes, the study would be biased. The information would be biased because it is based on those students who have applied for Canada Student Loans.

Ms. Friesen: The broader question I was asking was about the economic impact of delayed completion rates in post-secondary education in Manitoba. Does the department as a whole collect these statistics on completion rates for students as a whole, and second of all, in its research direction, is it taking any look at the economic impact of that?

Mrs. Vodrey: The division does keep statistics for the completion rates for the community colleges, as I have said and we have discussed. We do not relate those statistics specifically to the economic state of the province. The statistics have been useful to us to identify programs which might need some special attention, particularly in programs where we might require a review of the curriculum or where students by virtue of failure to complete or large numbers' failure to complete may be requiring some additional kinds of support.

Mr. Alcock: In opening up this discussion or furthering this discussion on policy, I would like to say that I am pleased by the information that the minister has been able to provide. I am pleased by her willingness to enter into some discussions on these policy questions, because I think there is a general concern on both sides of the House about the state of the support available to students. I am pleased that we are not spending as much time on some of the silly kind of games that were occurring yesterday or the last time we met.

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

I am interested in the policy that governs some of the decision making. Now, the minister was quite eloquent, and I think quite right, when she went

through the changing nature of the student body and how we are not simply talking about people that are moving from high school on into university. We are talking about a number of different categories of students.

In this student aid program there is a parental contribution requirement for certain classes of students, and that parental contribution requirement changes or disappears under certain conditions. What I am interested in is, what is the policy that defines when someone has a parent that is going to be required to make a contribution, or if they do not actually make a contribution, they are nonetheless going to be assessed a contribution, and when is a person seen not to have a parent?

Mrs. Vodrey: Mr. Acting Chairperson, I am also very pleased that the member has decided to end the games that were played the other day and the official opposition has also agreed to end the kind of gamesmanship that was played on that day, and certainly any reference to Hansard will indicate that —

The Acting Chairperson (Mr. Sveinson): Order, please.

Point of Order

Ms. Friesen: Mr. Acting Chairperson, I do not know what the minister is talking about, playing games, but I think it is inappropriate of her to put that kind of—

* (1650)

The Acting Chairperson (Mr. Sveinson): Order, please. The honourable member does not have a point of order.

* * *

Mrs. Vodrey: Mr. Acting Chairperson, perhaps the member did not hear that the issue of gamesmanship was raised by the member for Osborne (Mr. Alcock).

(Madam Chairperson in the Chair)

The issue was raised and put forward for comment, and so I am more than happy to comment on the fact that any member, any Manitoban may check Hansard and clarify where the gamesmanship occurred.

Now, I will agree with the member that the kind of discussion regarding policy and the discussion relating to the educational needs of Manitobans is the purpose of the Estimates process, and I am very

happy that today the questions are relating to that particular issue.

In response to the specific question by the member, there is a review process for the Canada Student Loans Program where students indicate that parents are unable to make the contributions which might be expected according to the formula. There is a special review process which recognizes that the parental contribution table was set in 1984-85, and this is not necessarily applicable to the economic circumstances of the day. Through this special appeal process that requirement of parental contribution can be reduced by approximately 50 percent.

In addition, for students who are in a position where parents refuse to provide that special support, that parental support, if students can document parental refusal, then that will certainly be considered by the appeal board, and under certain circumstances I am informed that the parental contribution can be waived.

Mr. Alcock: Madam Chairperson, I thank the minister for clarifying her feelings on gamesmanship. She knows, of course, that I would never engage in any such games.

I am interested in this question though, of the student being able to document the parental refusal. The minister said if the student can document the parental refusal then under certain circumstances a parental contribution may be waived. Now can the minister outline what those circumstances are?

Mrs. Vodrey: Madam Chairperson, I hate to return to the issue of gamesmanship. However, I feel that on the record I have to also make it clear that I do not play games, and that will be evident by Hansard. So we have to leave the people of Manitoba to decide then where that may have occurred.

I would also like to say to the member that he is getting into a level of detail which is beyond the policy area here. It is a matter of detail which will be better discussed under the appropriation for student aid which is 16-5(g).

Mr. Alcock: The minister will know that I am very hesitant to disagree with her, but I am inquiring about policy. The minister has indicated a policy relative to the determination of whether or not a parent will be required to contribute or at least whether or not the person applying for the loan will be required to credit themselves as having received a parental contribution whether they receive it or not.

So I am asking for the policy. How do you determine whether or not a parent is in a position to contribute or not?

Mrs. Vodrey: By way of clarification, I spoke of a process available, not a specific policy. That process which the member has referenced is best discussed under 16-5(g) and I would request, Madam Chairperson, that you hold the honourable member to the line.

Mr. Alcock: Madam Chairperson, I suspect if you were to take the minister's advice and look at Hansard, you would find that I specifically used a different "p" word. I did not use the "p" process word. I used the "p" policy word which is specifically referenced on page 91 of the minister's enlightening little document called the 1992-1993 Departmental Expenditure Estimates. We are going to have this policy discussion sometime within the next two months. Now the minister can either have it now or we can have it on Monday or on Thursday or whenever the minister wishes. I am asking for the policy on parental contributions. I want to know this government's policy. When is a parent considered to be contributing and when is a parent not? When is a parent considered to have refused to support their child?

Mrs. Vodrey: I am certainly prepared to have this discussion under the appropriation which is for the area of student aid. Estimates are structured in this to provide an orderly movement through the budget of the Department of Education.

It is my intention as minister to provide the member with the best and most complete answers. I will be happy to provide him with that complete answer when we reach that appropriation.

Mr. Alcock: Now I am beginning to understand that the minister is afraid of discussing this particular issue. From the calls that I have had and the discussions I have had with students who are receiving assistance, I can understand why.

But I have to draw the minister's attention to page 91 in the 1992-1993 Departmental Expenditures Estimates book, Manitoba Education and Training, which this minister prepared, this minister approved and signed off on, and this minister tabled in the House. It says in this particular document that this department—this division that we are now talking about—and for your information, Madam Chairperson, 16-5(b) Program Analysis,

Coordination and Support. It says on page 91 of that: "Provides overall policy—

Madam Chairperson: Order, please.

Point of Order

Mrs. Vodrey: I would like to make it clear in Hansard of the day that the member has attempted to attribute his sense of a state of mind to me, and I would like to make it clear and to clarify for the record the issue of being afraid is a nonsense issue raised by the honourable member.

He seems to be afraid to wait for the appropriate line in appropriation and I am not sure where his fear comes from. On the other hand, Madam Chairperson, I would not want to attribute those kinds of feelings to an honourable member in this House.

Madam Chairperson: Order, please. The honourable member for Osborne on the same point of order.

Mr. Alcock: I trust I am going to be able to speak on that point of order.

I think the actions of the minister speak for themselves.

Madam Chairperson: The honourable Minister of Education and Training (Mrs. Vodrey) does not have a point of order. It is a dispute over the facts.

* * *

Mr. Alcock: Perhaps I can finish my question then, Madam Chairperson, now that we have dispensed with the nonpoint of order.

The dilemma that we face is that in this particular—
Hon. Gerald Ducharme (Minister of Government Services): She had a point of order.

Mr. Alcock: Oh, I am sorry, the Minister of Government Services points out that there was no point of order raised by the Minister of Education (Mrs. Vodrey), and he is quite right. [interjection] Well, if the minister wishes to check Hansard, he will find that the Chairperson ruled that there was no point of order.

Mr. Ducharme: Time has run out; time has run out; time has run out.

Mr. Alcock: Well, now he says time has run out because he is terrified—

Madam Chairperson: Order, please. The hour being 5 p.m. and time for private members' hour, committee rise.

Call in the Speaker.

* (1700)

IN SESSION

Madam Deputy Speaker: Order, please. The hour being 5 p.m., time for private members' hour.

Private Members' Business is to resume debate on second readings, public bills.

Committee Report

Mr. Jack Reimer (Acting Chairperson of Committees): Madam Deputy Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the honourable member for St. Vital (Mrs. Render), that the report of the committee be received.

Motion agreed to.

PRIVATE MEMBERS' BUSINESS

DEBATE ON SECOND READINGS—PUBLIC BILLS

Bill 16—The Health Care Directives Act

Madam Deputy Speaker: On the proposed motion of the honourable member for The Maples (Mr. Cheema) (Bill 16, The Health Care Directives Act; Loi sur les directives en matière de soins de santé), standing in the name of the honourable Minister of Health (Mr. Orchard). Is there leave to permit the bill to remain standing in the name of the honourable Minister of Health? [Agreed]

Bill 18—The Franchises Act

Madam Deputy Speaker: On the proposed motion of the honourable member for Elmwood (Mr. Maloway) (Bill 18, The Franchises Act; Loi sur les concessions), standing in the name of the honourable member for Sturgeon Creek (Mr. McAlpine).

Is there leave to permit the bill to remain standing in the name of the honourable member for Sturgeon Creek? [Agreed]

Mr. Daryl Reid (Transcona): Madam Deputy Speaker, I am pleased to rise and speak to Bill 18 introduced by the member for Elmwood. The Franchises Act is the title of Bill 18, and I believe it

is an important bill for us. It will bring some order, a semblance of order to the franchise investment opportunities for the people in the province of Manitoba, those wishing to invest in that.

It is my understanding, Madam Deputy Speaker, that we do not have currently franchise regulations in this province that would give some protection to those wishing to invest in the franchise opportunities. I note in looking back over some of the information in the bill itself, and the comments of those that have spoken before me on this bill, that they have raised some very good points. In a few moments I will get to a couple of examples in my own community of franchise opportunities and the people whom I have spoken to since being elected to this office. People have called me and have had me come to their franchise business establishments to talk to me to explain some of their concerns.

The history of franchise operations, of course, has not been around that long. It is my understanding it is in the range of approximately 30 years. [interjection] No, I was born. I just look young. For many of us, I am sure we can find franchise opportunities in a lot of our communities around the province whether it be in the form of 7-Elevens or Mac's stores, particularly in our larger communities in the province.

I know in my own community, we have many franchise operations whether it be 7-Elevens or McDonald's or Mac's stores or whatever other franchise opportunities. They are essentially fast-service outlets where people go to receive the services they need, usually in the off-hours. For those who are investing in these franchise opportunities, it is a major undertaking for them. I will get to that when I get to my example of the one in my community that I am familiar with, and the difficulties that person had in their experience.

Franchises usually draw people to invest in them because they are usually successful ventures. They are proven track records. They have outlets in various communities throughout the province, maybe even across the country. What we are seeing coming more into our communities, particularly in the city of Winnipeg, we are seeing some of the franchise opportunities coming from south of the 49th parallel coming up to establish business opportunities in our province.

People that have maybe become familiar with these different franchise operations—I am talking about clientele—have become familiar with these

different franchise operations in the different jurisdictions, whether they be south of the border or in other provinces, will naturally tend to gravitate towards these new businesses when they establish in our own communities. It will, of course, establish very quickly a base of clientele to support these business operations. These franchises usually have proven track records. They have known names that can very quickly become household words that are familiar to the families themselves that would frequent these establishments. These business franchises also have particular marketing or product formula strategies that they sell and advertise and, of course, attract the clientele for them.

These people who wish to invest in these business opportunities usually undertake to become involved in these operations—[interjection]

Contrary to what the Minister of Health (Mr. Orchard) thinks, the New Democrats have invested in many business opportunities and believe very strongly in co-operative ventures, whether they be credit unions or co-operative movements—[interjection] And marketing boards, as the member for Dauphin (Mr. Plohman) refers to. There are many co-operative-type ventures or business ventures that even New Democrats become involved in—[interjection]

I find it unusual that the Minister of Health (Mr. Orchard) does not support co-operative ventures. I find it strange. I am sure that even in southwestern Manitoba, his home turf, there are probably co-operatives even down in his area, even though he probably does not frequent those establishments. It is unfortunate he does not do that, does not want to support those local businesses.

An Honourable Member: When I was campaigning in that area, he was there—

* (1710)

Mr. Reid: He was probably standing on the front doorstep shaking hands with the people coming out, never spending his money inside the door, or darkening the doorway.

As I have indicated, it is my understanding that there is no current legislation in the province of Manitoba; it is nonexistent. In other words, it is a law of the jungle out there. It is buyer beware for those who want to become involved in franchise operations.

Of course, this creates some difficulty for those who wish to become investors in this type of business opportunity. I think back even to residents in my own community and to people whom I had the good fortune to work with over the years who, unfortunately, got laid off from their employment in the railway, and some of them considered taking up franchise operations as an alternate form of employment. Some of these people took their pension funds that had been held for them while they were in the employ of the company, took those funds and usually their life savings, and invested that into the franchise operation.

Some of these people have been successful and have made a go of it and, of course, have gained for themselves that alternate employment that they were seeking. Others I was aware of had the misfortune of not having their business ventures be successful, and they have lost their pension investment and their life savings. That is the purpose of this particular piece of legislation: to draw some regulation into the process for those who are becoming involved in franchise operations.

One example, just shortly after the 1990 election, when I was talking with the small business people in my community of Transcona, I had the opportunity to speak with an individual working in a particular fast-service outlet in one of the small shopping malls in my community. This individual had immigrated to Canada and had established a home in Winnipeg and had brought with them their life savings and had invested their life savings in a family operation in one of these franchise outlets. Unfortunately, this franchise outlet, even though the family put all of their efforts, their finances and their time into the operation of this outlet, was not successful. So these people immigrated to this country, invested everything they had and lost everything they had in this opportunity.

Yet this particular franchise was a well-known name, and one would have thought would have been successful for these people investing in that. They had a good market base to draw from, being a totally residential area. Yet this venture failed. These individuals were quite concerned about the role that the franchise-issuing company had played in this process and the lack of concern that they had for those franchisees who were investing their hard-earned monies.

I know the member for Elmwood (Mr. Maloway), in his discussions in talking about this particular bill,

has mentioned others that he is aware of as well. In the investments that these people make, they quite often take their monies from their pension plans on early retirement. They will take those monies, they will borrow against them and they will invest all of this money into franchise investment opportunities. Quite often, although I do not personally know the exact statistics on it, I hear and even see in my own community where these franchise operations are failing from time to time.

What we are trying to do is to lay the groundwork for franchise businesses, to give some consistency to these particular type of business operations, to have consistent contracts so that when people get involved in this particular type of business opportunity, they know what the guidelines are going in and they know what the provincial regulations should be for them, and everyone who is going into a franchise operation will be operating under the same rules or guidelines.

Those who are investing in franchises will also have the opportunity of know that there is going to be a consistent price for them. So someone coming along and investing after them—as an example, if someone invested \$100,000 into a franchise outlet, which by today's standard I am sure is a modest sum, looking at some of the prices that I am aware of for franchise opportunities. If a person was to invest, hypothetically, \$100,000 into a franchise opportunity, there should be some consistency of price for these franchises so that an individual coming along after would have to pay the same price for these franchise opportunities, so that there is not an inconsistency in prices, that someone cannot get a better deal because maybe the person selling the franchises likes them better or any of the other scenarios that can come into play.

Up-front there needs to be some regulation, because we quite often see where more than one franchise can be in the same neighbourhood, creating downward pressures on business opportunities for those who initially established these particular franchises. In other words, what we need is a defined territory for this particular operation.

The member for Elmwood (Mr. Maloway) had mentioned in his comments as well about the particular legislation that is in the province of Alberta.

There is franchise legislation in the province of Alberta, and one of the requirements in Alberta is

that you have to file a prospectus with the securities commission. In other words, your operation has to be a solid business operation before you can undertake to do this particular type of business and to open your doors, so that those who are following along behind and wish to, as well, invest their hard-earned dollar into this particular type of business, will know that there is some sense of security for them, and that the initial businesses coming into the province had to jump through all of the hoops and meet all of the regulations before they could establish.

It gives a sense of security in the sense that the first people have to jump through all of these hoops and meet the requirements of the regulations and the law, and that those who are following behind will know that any others that follow along behind also have to meet the same requirements. Therefore, it would be a discouragement from those less serious investors who may come along behind and think about investing their money.

There is also the prospect for those who are getting involved in franchise legislation that there needs to be some regulation in there that requires the particular company that is selling the franchise opportunities to prospective investors to have an up-front agreement, some regulations in there that say that if there are up-front promises made by the franchiser, franchisee will know that these commitments have to be made, and that they will be forced to comply in the sense of advertising opportunities if the particular company says that, yes, we will undertake to have advertising in the form of a few million dollars a year or whatever the amount may be. That commitment must be met, regardless of whatever conditions transpire after that franchise opportunity is sold.

There are many other issues, Madam Deputy Speaker, and I can see that my time is running short. We need to have this particular piece of legislation passed and to come into force in the province of Manitoba to give a sense of security, a sense of fair play for those who are wishing to invest their monies, so that we do not see people taking all of their pension funds and their life savings and invest them into opportunities, to know that it is a law of the jungle, and that they can be taken advantage of somewhere down the road because they do not have the full business opportunity or because of commitments that are not lived up to.

I hope that all members of the House, upon reading of this legislation and the opportunity to speak on this particular Bill 18, The Franchises Act, will see their way clear to lend their support to this legislation and that we will see it come into being in the province of Manitoba.

Thank you, Madam Deputy Speaker.

* (1720)

Madam Deputy Speaker: As previously agreed, this bill will remain standing in the name of the honourable member for Sturgeon Creek (Mr. McAlpine).

Bill 25—The University of Manitoba Amendment Act

Madam Deputy Speaker: On the proposed motion of the honourable member for Osborne (Mr. Alcock), Bill 25, (The University of Manitoba Amendment Act; Loi modifiant la Loi sur l'Université du Manitoba), standing in the name of the honourable member for Niakwa (Mr. Reimer).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [Agreed]

Mr. Doug Martindale (Burrows): Madam Deputy Speaker, it is a pleasure for me to speak on this bill because university governance is actually something that I know a little bit about from having had some practical experience, having once been on a Board of Regents of a university. We in this party support this Bill 25, The University of Manitoba Amendment Act, because we believe that students should have the right to elect their representatives on the board rather than having the government appoint their Tory friends to the board.

I received my Bachelor of Arts degree from Brock University in St. Catharines, and I was not very involved in student politics at the time, but it was a very dynamic and exciting campus to be on, because while I was there the university students who belonged to a student union rather than a student association went on strike for three days and occupied the senate board room and the 13th floor of the Brock University tower and in effect shut down the university. But it was probably one of the most interesting and perhaps a unique strike of all strikes in Canadian university history because the administration and the faculty supported the students.

It was over funding problems with the provincial government, a Conservative provincial government at the time, and what they decided to do is to send a delegation to Queen's Park, and the students said, we want a united front here. We want the faculty to go with us, and we want the administration to go with us, and we are going to ask for more money, and they did. The faculty and the administration joined the student representatives in going to Queen's Park and requesting more money. As I recall, they came back with an additional \$10 million for the university budget. So that was a very interesting time to be an undergraduate student at a university in Ontario.

After I received my B.A. I went to Emmanuel College of Victoria University, not to be confused with the University of Victoria in Victoria, B.C., this is Victoria University federated with the University of Toronto in Ontario. This is a very old university. In fact it is one of the predecessors of the University of Toronto. Originally it was located in a small town on Lake Ontario and it moved to Toronto in the 1800s, and when they became part of the University of Toronto, at some point they gave up their degree-granting authority in medicine and law and arts and other subjects, but they did keep their degree-granting power in one area and that was theology. Victoria University is made up of two colleges, Victoria College and Emmanuel College, and I studied at Emmanuel College and received a Master of Divinity degree from Victoria University.

While I was there I was elected in second year as vice-president of Emmanuel College Student Council, which automatically made me a vice-president of Victoria University Student Council, and because I held that position I was automatically on the Board of Regents of Victoria University. That was a fascinating experience, and almost everything that I learned about politics and power and the abuse of power I learned while on the Board of Regents of Victoria University. I am sorry to have to say this about one of my alma maters, but it is true, it was an excellent education. I mean, there were positive things about watching power and how power was used and misused on the Board of Regents of a large university.

An Honourable Member: Power corrupts.

Mr. Martindale: Power corrupts and absolute power corrupts absolutely. Right? Yes.

Well, I would not want to go so far as to say there was corruption. I just think there was a misuse of power. I think that is a little different.

One of the things that I observed was that almost all of the board members, the vast majority of whom were men, lived or worked within about two miles of King and Bay Street, the financial heart of downtown Toronto. Probably many of these people were graduates of Victoria University, but very successful in their fields. Many of them were lawyers for example. One was the vice-president of Ontario Hydro. One was the spouse of the Lieutenant-Governor of Ontario at the time.

While I was a member of the Board of Regents I was appointed or chosen to be on a committee to look at the constitution of the Board of Regents. This committee met frequently. It consisted of faculty members, student representatives and board members.

We came up with a report, after meeting for about a year, to amend the constitution of the board. One of the recommendations was to have more student representatives on the Board of Regents, elected of course—a much more progressive institution than the Conservative caucus of this government wants to make the University of Manitoba board.

So this report went to the board, it was debated, and then eventually it came to a vote. A majority of the board members voted to implement the recommendations of the report. However, the executive of the board and the president of the university were opposed to these progressive recommendations. So what did they do? They referred it to a new subcommittee of the board and it never saw the light of day again. In effect, it was buried.

So at that time more students were not elected to the board and the board was not reorganized. I have no idea what happened from that time to this.

By way of comparison, I would like to use the University of Saskatchewan because their board is organized very, very differently. There is no reason why any university in Canada cannot be organized on similar geographic reasons, although I suppose it is more logical for the University of Saskatchewan because it is a provincial university. At one time it was a university with two campuses, one in Saskatoon and one in Regina.

My wife is a graduate of the University of Saskatchewan. She obtained a Bachelor of Science and Home Economics degree from U of S

in 1973. Consequently, as an alumnus of that university she is still on the mailing list and once a year she receives a notice on elections to the Board of Governors.

What they do, I think, is very democratic. They have a certain number of board members from Saskatoon, a certain number from Regina, I believe, and the rest of the province is divided up into geographic districts. When people run for election to the board they run in a geographic district and only graduates who live in that district can vote for those people.

So it may seem kind of strange, but people actually from rural Saskatchewan compete for the privilege of being elected to the board of the University of Saskatchewan.

To my mind, it is a very democratic way of representing the whole province, not just a small area. As I mentioned, the vast majority of board members at Victoria University lived or worked in the downtown financial or government offices in Toronto and represented, presumably, the whole province on the board.

In fact, I think when I was on the Board of Regents, the furthest member came from Stony Creek which would be about an hour's drive from Toronto. So the representation of the graduates was not representative of the province of Ontario or where people lived after they graduated.

As I said, in Saskatchewan it is very, very different, in my view, much more democratic. In fact, I think what this bill is all about is whether or not students, people, adults have the right to democratically elect their representatives to the board or whether the government thinks that they know best, and they should appoint their own people.

However, this government—and I would like to hear some of their members defend their policy of appointing their Tory friends as student representatives on the board. I have—

Hon. Darren Praznik (Minister of Labour): Were not you a political appointment to the board, Doug?

Mr. Martindale: Well, the Minister of Labour (Mr. Praznik) would like to talk about my record, and I have already put this on the record in a previous debate. I can also say that I declined three appointments to boards by NDP governments.

I have not had a chance to read all the speeches yet, but I realize that a couple of government

members, I believe, yes, one backbencher has spoken to this bill, and so I will have to read the speech of the MLA for St. Vital (Mrs. Render) and see what the government's view is on this private members' bill.

(Mrs. Louise Dacquay, Deputy Speaker, in the Chair)

But we know what their view is. We know that they would rather appoint someone than have students democratically elect their own representatives. We find that disappointing and, therefore, we support this private members' bill of the MLA for Osborne (Mr. Alcock).

With that I would like to conclude my remarks, but I am pleased that I had an opportunity to speak about this and compare other universities with the practice at the University of Manitoba, and also to condemn the government for this regressive measure, which I believe does not recognize the important role that elected students can contribute on the board of their university.

Thank you.

Madam Deputy Speaker: As previously agreed, this bill will remain standing in the name of the honourable member for Niakwa (Mr. Reimer).

Is it the will of the House to call it six o'clock? Agreed? No?

Bill 27—The Business Practices Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 27 (The Business Practices Amendment Act; Loi modifiant la Loi sur les pratiques commerciales), on the proposed motion of the honourable member for The Maples (Mr. Cheema), standing in the name of the honourable member for St. Norbert (Mr. Laurendeau).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand. Is there leave to permit the bill to remain standing? [Agreed]

Bill 31—The Municipal Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 31 (The Municipal Amendment Act; Loi modifiant la Loi sur les municipalités), on the proposed motion of the honourable member for St. Boniface (Mr. Gaudry), standing in the name of the honourable member for Niakwa (Mr. Reimer).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand. Is there leave to permit the bill to remain standing? [Agreed]

Bill 36—The Health Care Records Act

Madam Deputy Speaker: To resume debate on second reading of Bill 36 (The Health Care Records Act; Loi sur les dossiers médicaux), on the proposed motion of the honourable member for St. Johns (Wasylycia-Leis), standing in the name of the honourable member for Niakwa (Mr. Reimer).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand. Is there leave to permit the bill to remain standing? [Agreed]

* (1730)

Bill 50—The Beverage Container Act

Madam Deputy Speaker: Bill 50 (The Beverage Container Act; Loi sur les contenants de boisson), to resume debate on second reading of the proposed motion of the honourable member for River Heights (Mrs. Carstairs), standing in the name of the honourable member for Gimli (Mr. Helwer).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [Agreed]

Bill 51—The Health Services Insurance Amendment Act

Madam Deputy Speaker: Bill 51 (The Health Services Insurance Amendment Act; Loi modifiant la Loi sur l'assurance-maladie), on the proposed motion of the honourable member for The Maples (Mr. Cheema), standing in the name of the honourable Minister of Urban Affairs (Mr. Ernst). Stand?

Is there leave to permit the bill to remain standing? [Agreed]

Bill 54—The Consumer Protection Amendment Act

Madam Deputy Speaker: Bill 54 (The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur), on the proposed motion of the honourable member for Elmwood (Mr. Maloway), standing in the name of the honourable member for Wellington (Ms. Barrett).

Is there leave to permit the bill to remain standing?
Leave? [Agreed]

Bill 55—The Workers Compensation Amendment Act (2)

Madam Deputy Speaker: Bill 55 (The Workers Compensation Amendment Act (2); Loi no 2 modifiant la Loi sur les accidents du travail), on the proposed motion of the honourable member for Transcona (Mr. Reid), standing in the name of the honourable Speaker (Mr. Rocan).

Is there leave? [Agreed]

Bill 56—The Public Health Amendment Act (2)

Madam Deputy Speaker: Bill 56 (The Public Health Amendment Act (2); Loi no 2 modifiant la Loi sur la santé publique), on the proposed motion of the honourable member for St. Johns (Ms. Wasylycia-Leis), standing in the name of the honourable Minister of Labour (Mr. Praznik).

Is there leave to permit the bill to remain standing?
Leave? [Agreed]

Bill 66—The Child and Family Services Amendment Act (2)

Madam Deputy Speaker: Bill 66 (The Child and Family Services Amendment Act (2); Loi no 2 modifiant la Loi sur les services à l'enfant et à la famille), on the proposed motion of the honourable member for River Heights (Mrs. Carstairs), standing in the name of the honourable Minister of Family Services (Mr. Gilleshammer).

Is there leave to permit the bill to remain standing?
Leave? [Agreed]

Bill 77—The Liquor Control Amendment Act

Madam Deputy Speaker: Bill 77 (The Liquor Control Amendment Act; Loi modifiant Loi sur la réglementation des alcools), on the proposed motion of the honourable member for Point Douglas (Mr. Hickes), standing in the name of the honourable member for Point Douglas, who has five minutes remaining.

Mr. George Hickes (Point Douglas): I am pleased to conclude my remarks on this bill. It was a bill that I brought in, that was encouraged, on

behalf of the citizens of Manitoba. In conversation with the Minister responsible for the Liquor Control Board (Mrs. McIntosh), it seems that the government has a golden opportunity here to do the proper thing for all citizens of this province.

I am hoping that they will come in with the appropriate measures that are required to take these cooking wines and liqueurs off the shelf and limit the access to people who do not use these products in the manner that they were intended, and that is for cooking. When you have problems of abuse, you cannot penalize the people, or you should not penalize the people, who use it for the proper purposes. By removing it totally from the shelves or banning it, you are penalizing those honest individuals and the people who use it with the right intentions.

What I am hoping to see, Madam Deputy Speaker, is that this government and the Liberals will support this bill, because it is a bill that has all the right intentions and it is brought in on behalf of all citizens. [interjection] The Minister of Health (Mr. Orchard) says that we can count on his support. I really look forward to that because a lot of the problems that these individuals encounter fall right in the health care system, because when you abuse those products you eventually have a lot of health problems that increase our health costs. So I am glad to see that the minister recognizes that and supports this.

So in conclusion, Madam Deputy Speaker, I am looking forward to all parties supporting this bill so that we can have the proper protection to the best interests of all citizens.

Thank you.

Hon. Darren Praznik (Deputy Government House Leader): I would move, seconded by the honourable Minister of Natural Resources (Mr. Enns), that debate be now adjourned.

Motion agreed to.

DEBATE ON SECOND READINGS—PRIVATE BILLS

Bill 52—The Pas Health Complex Incorporation Amendment Act

Madam Deputy Speaker: On the proposed motion of the honourable member for The Pas (Mr. Lathlin), Bill 52, (The Pas Health Complex Incorporation Amendment Act; Loi modifiant la Loi constituant en

corporation "The Pas Health Complex"), standing in the name of the honourable Minister of Urban Affairs (Mr. Ernst). Stand.

Is there leave to permit the bill to remain standing?
[Agreed]

On a point of clarification, the honourable member for Point Douglas. (Mr. Hickeys)

Second reading was called on Bill 52 and leave was granted to permit the bill to remain standing in the name of the honourable Minister of Urban Affairs (Mr. Ernst). We will now proceed to proposed resolutions.

PROPOSED RESOLUTIONS

Hon. Donald Orchard (Minister of Health): Madam Deputy Speaker, I sense that if we proceed to resolutions, the resolution No. 23 which would be called would fall to the bottom of the Order Paper. I simply want to indicate to the House that members of the government were prepared to debate this important resolution and I sense that we are unable to have that opportunity today.

Point of Order

Mr. Doug Martindale (Burrows): Madam Deputy Speaker, I regret that our member is not here. However, a lot of the public bills—

Madam Deputy Speaker: Is the honourable member for Burrows speaking on a point of order?

Mr. Martindale: On a point of order. We were counting on other people to speak on bills in private members' bills that were standing in their names and none of them spoke. We would like to get leave to leave this standing in the name of our member for St. Johns (Ms. Wasylcyia-Leis) so that she can be here to speak to it. I believe that this has happened on other occasions with other members, and we would like to ask the same courtesy of the government and then call it six o'clock.

* (1740)

Madam Deputy Speaker: Order, please. The honourable member for Burrows (Martindale) does not have a point of order. It is a clarification of procedure.

Point of Order

Mr. Orchard: Well, I want to provide advice, if I could, about the circumstance we appear to be in. I just want to point out to the honourable members of the House that private members' hour is for the

purpose of debate of private members' resolutions and bills. The rules of the private members' hour are that, if the sponsor of the resolution is not here and it is called, it falls to the bottom of the resolution list.

We have tried in the past to achieve accommodation with honourable members opposite, particularly with the official opposition, to have resolutions brought forward with leave of the House and that leave was denied. Madam Deputy Speaker, because we have got a very good desire to debate this resolution, we are prepared to let it stay in its position, but under ordinary circumstances, in the absence of the sponsor of this resolution, it would fall to the bottom of the Order Paper.

I want Hansard to note that members of government are willing to wait for the sponsor of the resolution to introduce it.

Madam Deputy Speaker: Order, please. Leave would have to be granted in order for Resolution 23 to remain standing at the top of the list on the Order Paper. Is there leave? [Agreed]

Point of Order

Mr. John Plohman (Dauphin): Madam Deputy Speaker, I am glad that the House has seen fit to do what is, in fact, normal in this House and that is to give the members the courtesy of allowing the resolutions to stand in their name when they are not able to be here. I think it has to be noted that the member for Pembina, the Minister of Health (Mr. Orchard), when he made his statement, was suggesting that this was something that was not normal. I am saying that it is normal, this courtesy, and I appreciate—

Madam Deputy Speaker: Order, please. The honourable member for Dauphin does not have a point of order. It is a dispute over facts.

Leave has previously been granted.

Point of Order

Mr. George Hickeys (Point Douglas): Madam Deputy Speaker, the reason I asked if 52 was called was because I had not heard it called and I wanted to speak to it. That was the reason that I asked if 52 was called.

Madam Deputy Speaker: The honourable member for Point Douglas does not have a point of order. The bill was legitimately called. It was left standing in the name of the honourable Minister of

Urban Affairs (Mr. Ernst). Leave was granted to permit it to remain standing and the Deputy Speaker proceeded then to proceed through the Order Paper as is the rule of the House.

Point of Order

Mr. Plozman: Yes, on a point of order, Madam Deputy Speaker, my colleague the member for Point Douglas (Mr. Hickes) has raised a very important point, and I have to agree with him that I, too—and I was in this House at the time—did not hear that the second reading on the motion, Bill 52, was called in this House. I am wondering whether it is possible that you did not call that particular motion, because my colleagues have indicated that. They want to speak on that motion, prior to getting to resolutions. I think it would be appropriate to—if you did not fail to call it that in fact you would revert now to that bill so my colleague could speak on it as he desires to do.

Madam Deputy Speaker: Order, please. The honourable member for Dauphin does not have a point of order.

I would suggest, with all due respect to the honourable member for Dauphin, that he indeed peruse Hansard at his first opportunity to indeed clarify that Bill 52 was called for second reading by myself and my advice in consultation with the Clerks is indeed that it legitimately was called and leave was granted.

Point of Order

Mr. Hickes: On a point of order, Madam Deputy Speaker, when the bill was called there was a lot of conversation going on in the House, and I did not hear the bill called. The reason I asked again was the bill called, because I had not heard anyone say that it was called. I would like the opportunity to speak to the bill, because it is very important to the citizens and the residents of The Pas. What we have been seeing—and what is happening to northern Manitoba? Where is the support—

Madam Deputy Speaker: Order, please. The honourable member for Point Douglas does not have a point of order. I have now clarified on three separate occasions that indeed the bill was called.

Point of Order

Mr. Martindale: On a point of order, Madam Deputy Speaker, I am sorry that we find ourselves in this position, but I had talked to the acting House leader earlier this afternoon, who asked if we were

going to waive private members' hour, and at that point we said, no, because we had three people prepared to speak on bills, and we assumed that we could call it six o'clock after those three bills were debated, and we did not anticipate this problem.

Madam Deputy Speaker: Order, please. The honourable member for Burrows does not have a point of order.

Point of Order

Hon. Darren Praznik (Deputy Government House Leader): Madam Deputy Speaker, we have heard a whole host of points of order that have been ruled out of order. I would ask now, on behalf of the members of this House, that you would call the next order of business, which is Resolution 24 to allow the mover of that resolution to present it to the Assembly at this time.

Madam Deputy Speaker: I thank the honourable deputy government House leader. I have been attempting to call the resolutions on the Order Paper.

Point of Order

Mr. Plozman: Madam Deputy Speaker, I wanted to reference what I think is a legitimate point of order with regard to the acting House leader's discussion. There has been an attempt by this House to move forward on other resolutions and the private members' hour, even though there was previous agreement that we would deal with the bills. Because of the fact that we have completed those bills at this particular time, it would seem that we would now be in a position to either call it six o'clock or, in fact, go back to the bill that my colleague had mentioned—

Madam Deputy Speaker: Order, please. The honourable member for Dauphin does not have a legitimate point of order. Is the honourable member for Dauphin asking me to, for the third time, canvass the House to see if there is the will of the House to call it six o'clock?

Is there leave to call it six o'clock?

Some Honourable Members: No.

Madam Deputy Speaker: No. Leave has been denied for the third time. We will now proceed with the resolutions in the order listed on the Order Paper.

Point of Order

Mr. Hickes: On a point of order. Madam Deputy Speaker, we have given leave, to leave other resolutions. In fact, we brought resolutions from the bottom of list right up to the top in order to accommodate the government side.

Madam Deputy Speaker, I feel totally insulted where I was ready to speak on Bill 52 because it is so important for the North—

Madam Deputy Speaker: Order, please. The honourable member for Point Douglas does not have a point of order. There are rules and procedures, and the Chair is indeed following the rules of the House.

* * *

The honourable government House leader (Mr. Manness), one moment, please. Order, please.

If it is the will of the House, honourable members must request leave to permit a resolution to remain standing in its order on the Order Paper. On Bill 23 it was suggested by the honourable Minister of Health (Mr. Orchard), and I posed the question and leave was granted.

Barring that, the rules are very explicit. The resolution is called. If the sponsor of the resolution is unavailable to introduce the resolution without request for leave, it does drop to the bottom of the Order Paper. I trust that everyone clearly and fully understands the procedure. Resolution 27.

Mr. Plohman: Did you canvass the House on Resolution 24 for clarification and Resolution 25 to see—I know that you dealt with 23, and you indicated the Minister of Health indicated there was leave to leave it standing in that position, Madam Deputy Speaker. I would ask you to canvass the House to determine whether Resolutions 24 and 25 can be left in their current positions by leave.

*(1750)

Madam Deputy Speaker: The honourable member for Dauphin (Mr. Plohman) once again does not have a point of order. If he is requesting clarification, I will repeat again, I do not initiate the request. The request is to be initiated by any honourable member present in the Chamber as to whether, indeed, it is the will of the House to grant leave. Hearing none, I proceeded to call Resolution 24, 25, 26.

Point of Order

Mr. Plohman: Madam Deputy Speaker, I have a point of order.

My colleague the member for Point Douglas (Mr. Hickes) was up on his feet on a point of order at the time you called Resolutions 24 and 25. He was on a point of order. That is why I could not rise to ask you whether you could canvass the House to see whether there was leave to allow 24 and 25 to stand in their present position.

I am asking for that leave, and I would ask you to deal with 24, so we can ask for that leave.

Madam Deputy Speaker: The honourable deputy government House leader (Mr. Praznik), on the same point of order.

Mr. Praznik: Madam Deputy Speaker, if you would like to canvass the House, if there is leave on 24 and 25—I believe there was leave on Resolution 23 to remain standing—if you would like to canvass on 24 and 25, and then if you would like to canvass separately on 26, we would make that suggestion to you.

Madam Deputy Speaker: I thank the honourable deputy government House leader for the request. Is there leave to permit Resolution 24 to retain its order as listed on the Order Paper?

Some Honourable Members: No.

Madam Deputy Speaker: No, leave has been denied.

Point of Order

Mr. Plohman: On a point of order, let the record show that these government members here will not follow the traditional—

Madam Deputy Speaker: Order, please. The honourable member for Dauphin does not have a point of order.

* * *

I have been requested to canvass the House to see now if there is leave to permit Resolution 25 to retain its order of listing on the Order Paper. Is there leave?

Some Honourable Members: No.

Madam Deputy Speaker: No, leave has been denied.

Point of Order

Mr. Kevin Lamoureux (Second Opposition House Leader): Madam Deputy Speaker, I understand that leave was granted for Resolution 23. I would ask that leave be given to 26 in the same fashion in which leave was given to 23. Because of the time, on the next resolution, I would then ask that we call it six o'clock so I can have my full time as opposed to only five minutes.

Madam Deputy Speaker: I thank the honourable member for Inkster (Mr. Lamoureux).

Is there leave to permit Resolution 26 to retain its order of listing on the Order Paper?

Some Honourable Members: Leave.

Madam Deputy Speaker: Leave?

Point of Order

Mr. Plohman: On a point of order, I want the record to show that on Resolution 25, the members of the government refused—

Madam Deputy Speaker: Order, please. The honourable member for Dauphin did not have a point of order. I would sincerely request the co-operation of the House in dealing with the resolutions as called, one at a time.

I had requested if there was leave to permit Resolution 26 to retain its order of listing on the Order Paper. Leave? Leave has been granted?

Some Honourable Members: No.

Madam Deputy Speaker: No.

Point of Order

Mr. Lamoureux: Madam Deputy Speaker, on a point of order, we granted leave for Resolution 23. They are denying leave for us. I would then ask at least for the simple courtesy from the NDP so that we can call it six o'clock, so that I get more than three minutes to debate my own resolution.

Madam Deputy Speaker: Order, please. The honourable member for Inkster (Mr. Lamoureux) does not have a point of order.

However, he has requested that I canvass the House to see if it is the will of the House to call it six o'clock. Leave of the House to call it six o'clock? [Agreed]

The hour being 6 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning (Friday).

Legislative Assembly of Manitoba

Thursday, May 21, 1992

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