

TIME: 8 p.m.

SUPPLY — EDUCATION

MR. CHAIRMAN: When we recessed at four thirty for Private Members' Hour we were on Page 21, Resolution 51(c) Consultant Services: (1) Salaries. Was the item passed?

A MEMBER: No.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, during some earlier discussions and some earlier explanations by the Minister, he spoke with some pride concerning the credit system for high schools now in use in Manitoba. The implication was that Manitoba was doing better than some other jurisdictions in the matter of compulsory credits for core subjects. Mr. Chairman, it's one thing to set down in a handbook what a credit means, it's quite another thing to get an adherence to this.

MR. TURNBULL: Mr. Speaker, the Member for Brandon West is speaking of credit with regard to core subjects. The remarks that I recall making were in reference to the results of the Canadian Test of Basic Skills. Now I just want to make sure that he sees those two as the same, in his own mind.

MR. MCGILL: No, Mr. Chairman, I don't think I am in any way confused on the Canadian Test of Basic Skills and what we consider to be compulsory subjects — core subjects. And I pointed out to the Minister that the handbook might lay down what a credit means, in terms of a core subject, and it doesn't however carry to the point of ensuring that there's any adherence to the requirements. And the question I would put to the Minister in this connection is, what follow-up do you have to see that a credit, in actual practice, is what you believe it to be? For example, a teacher complains that a timetable for his subject for which a full credit is to be earned, gives him only 90 hours of instruction and not the 110 or 120 hours set down in the handbook. At a recent meeting, or at a meeting of high school teachers, a departmental official was asked what the department would do to help this teacher. And the answer was nothing. Now, Mr. Chairman, if the department sets down minimum requirements for a credit, how will the department ensure that the minimum requirements are being fulfilled?

MR. TURNBULL: Mr. Chairman, the matter of evaluation, I assume is what the Member for Brandon West is talking about. He nods neither affirmative nor negative. Perhaps he could tell me whether it's evaluation he's speaking of or some other method for the department to determine how children are doing.

MR. MCGILL: Mr. Chairman, just to summarize again for the Minister. I'm talking about the handbook laying down a requirement in terms of hours of instruction of 110 to 120 hours and the teacher may find that his timetable only provides him with 90 hours of instruction. Now his problem is, how does he complete 110 to 120 hours if his timetable only permits 90. And what does the department do about this? If he just simply uses the 90 hours does the department just ignore the minimum requirements for that credit or have you any way in which you will be able to ensure that a compulsory credit subject has been given to the students in a way that fulfills the minimum requirements?

MR. TURNBULL: Mr. Chairman, it's pretty obvious that any teacher in a classroom situation, with any particular class, may be able to teach more in a given time than some other teacher with some other class. And I would not want to hinder the more efficient teacher and the better class from covering the same material in less time. I think that that is important, that the degree of flexibility should be there. But certainly with regard to the number of hours that the department requires in that schools in divisions are supposed to ensure occur in the schools, I think that that requirement should be followed up on and, if he can give me specific examples, I will certainly have the field services branch or whoever is appropriate in the department examine, or investigate into the lack of such number of required hours in the schools. But I think the Member for Brandon West should keep clear, in his mind, that especially in trimester situations where that is being experienced or tried, in certain schools, there can be the possibility of teachers teaching what's required in less time than the curriculum calls for. In the old days, that used to be done quite regularly and the way it occurred was this way: so many hours would be required, so many units of course material would have to be taught. The teacher being involved in a situation where there was an examination at Christmas, or in December, at Easter or thereabouts, and in June, would so organize the teaching that they would complete particular sections of the work before each of those periods for examination and then use the week before, or two weeks before those examinations for review. That was always the case and to suggest that, in some way, the number of hours that may be followed by a particular teacher or by a particular division is somehow a problem, I think just strikes at the heart of that autonomy and freedom that teachers and administrators in schools need to enable them to do a good job. What the Member for Brandon West seems to be implying is that every child, and every school teacher in the province must be kept in lock step — in lock step, and I can tell the Member for Brandon West that that

kind of lock-step teaching where every child in every class and every teacher teaching a particular subject should be at a particular place at a particular time is simply not very good teaching. It is something I hope we have long left behind us.

I have information that indicates to me that twenty years ago or so, teachers, many of them, would do precisely that. In would come the class. The class would sit down. The teacher would read to them from the text, mark where they'd left off, close the book, wait until the class came back the following day, open the book, begin reading, read the text, and so it would go for the year. That kind of rote memorization, that kind of lock-step teaching, is no longer necessary. And I think that freedom and autonomy in the classroom are what should be necessary, are what should be required and I think that's what teachers have and are using to the best of their ability.

I said earlier that some appropriate group within my department would certainly examine what the Member for Brandon West raises. I think he could give me more details. There are various sections of the department. I think I referred to the field services branch. There is no such line here. It is perhaps external administrative support unit, that would be appropriate, or some of the other areas of the department that could be directed to do this. I will certainly have it examined if the Member for Brandon West provides me with the specific detail. But I want him to keep in mind that lock-step teaching, which is implied in what he is saying, is no longer satisfactory in a quality educational system.

MR. CHAIRMAN: Order please. Order. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, the Minister started out to suggest that when the minimum teaching hours for a credit subject were not being provided, that he would have some branch of his department - and he said the Field Services Branch - but I was amazed at that little slip of the tongue, because we had reason to castigate one of his administrative officers for writing a letter just the other day, suggesting to a woman with a problem that she should have a school inspector look after her problem. So it isn't only the administrative officers in the department that are

We're under some confusion. We're not suggesting, I hope, Mr. Chairman, when a Handbook for a credit subject does lay down a certain minimum number of teaching hours, we're not suggesting that somehow that means a lock step as the Minister suggests, kind of administrative strait-jacket for them. But surely, surely Mr. Chairman, the Minister has a better answer than what he's given us as to what he would do for this teacher who said to one of his departmental officials: If he has a timetable that can only provide him with 90 hours of teaching and he is required to give a minimum of 110 to 120, how does he cope with that difficulty? The department was unable to give him any assistance at all. So, either the Minister feels that no minimum number of hours are required in order to get a full credit in a subject or he has no way of actually providing any advice and assistance to the teachers who realize this is a problem. Perhaps even more important may be the content of the courses that are being offered. Are the outlines of the content in these courses just merely suggestive as the Minister is saying now about the number of hours.

I think he said earlier that we needed a good course in Canadian History. Well perhaps we already have a good course in Canadian History and perhaps the one we have should be one of the basics in our educational system but the curriculum is now decentralized to the point where a teacher may choose to do one quarter of that course. Now if the teacher so chooses of the Canadian History course which the Minister may agree is a good history course and the teacher decides there is only one quarter of it that he can adequately handle in his timetable, is that worth a credit? Is that then a Canadian History credit if the teacher only provides a portion of the actual full course that is suggested? Is a credit a time requirement only and not a full completion of the course as it's laid out in the Handbook. Perhaps that's an area in which the Minister would have some explanations.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. TURNBULL: Mr. Speaker the Member for Brandon West chooses to ignore what I did in fact offer to do. I'm trying to be as accommodating as possible. I hope when all political partisanship is put aside by the Member for Brandon West that we are really interested in improving education in the school. I offered to have whoever is appropriate in the department examine this particular teacher situation. Mr. Chairman, I cannot operate without the specific data. The Member for Brandon West earlier in this debate on my Estimates read a letter which he refused to say who it was signed by and he is now refusing, after making certain allegations, to give me details that would enable me to have the appropriate staff in my department examine that particular case.

MR. CHAIRMAN: The Honourable Member have a point of order?

MR. MCGILL: On a point of order. The Minister alleges that I refuse to say who had signed the letter. The Minister asked me if he had signed the letter and I nodded my head to say that he had not signed the letter. That signature is from a member of your department, an administrative officer. I shall have that within five minutes. I don't have it on my notes here.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. TURNBULL: Mr. Chairman, I appreciate the Member for Brandon West's answer but the Member for Roblin is injecting in such a loud vein and he sits so close to me that I couldn't hear all of

it. If the Member for Brandon West has —(Interjection)— has . . .

MR. CHAIRMAN: Order please. Now some members seem to think they can make remarks from their chair and not be recorded. Now we had some of that the other day. I'm going to ask for the member's co-operation. When the member has the floor on either side of the House at least show him the courtesy so he can hear what another member is saying.

The Honourable Minister of Education.

MR. TURNBULL: Thank you, Mr. Chairman, I want to say to you that I always try to give every courtesy to the members opposite that I am capable of extending to them even in the heat of debate. The Member for Brandon West did say that he had a letter. It was signed by a member of my staff. I ask him now to tell me who it was that signed that letter. I am particularly interested in following up with the staff that kind of letter for the various reasons that I indicated at the time.

With regard to the issue that we now have before us raised by the Member for Brandon West, I want to tell him that if he would provide me with the details of this particular teacher's problem, one teacher of 12,343, I will undertake to have this matter investigated by the appropriate staff of my department and try to ascertain specifically what the problem is and what it is that the teacher has to cope with. I do know that the curriculum guides, in terms of the number of units that need to be covered, as far as I know have not changed in the last number of years. The teacher is still required to cover a certain number of subject areas, of units of instruction, and I would be most interested in getting the specific details of which school, which teacher, which subjects so that I can indeed send Mr. McCurdy or Mr. Decosse or Mr. Neufeld, one of those gentlemen, or whoever else is appropriate to this school to ascertain what the nature of the problem is, and why the teacher is experiencing it.

MR. CHAIRMAN: Resolution 51(c)(1). The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I have a couple of questions of the Minister. On Friday, I believe it was, I raised the matter of the small business, the stay option plan of the NDP for rural Manitoba and productivity, and I raised other matters and the Minister stood up and praised me and said of all the remarks I'd ever made in the Chamber over the years, those were the most pertinent and appropriate that I'd made over the years. I'm just going to ask the Minister now, in this item can he give me any indication if there are any dollars for small business or productivity in this Consultant Services.

MR. TURNBULL: Mr. Chairman, the Member for Roblin has a habit of putting things in such a way that they appear to be facetious and normally one would have to respond that aid to small business would come from the Department of Industry and Commerce. However, I can advise the Member for Roblin that this department does provide assistance and it is provided in the manner of assistance for business education in the schools through the province. That course is designed to give children the basic skills that they will need to operate effectively in an office.

MR. MCKENZIE: Mr. Speaker, I thank the Minister very much for his answer so there are therefore no dollars at all for teaching young kids through the departmental or the educational system that there still is a place for a small business in rural Manitoba and that we can save rural Manitoba. He doesn't recognize it — well he praised me for recognizing it and I'm sure after the next election that will be one of my priorities in the Department of Education, to get kids back into realizing you can make a buck in the grocery store or running a gas station or whatever.

The other one is productivity and I just can't understand, in my remarks the other day and the answer of the Minister who associated and thought that . . . unless we can understand productivity, then the economic problems of that the First Minister is facing, there's no game at all because the one goes with the other — unless we can produce goods and services and all the other things that go with it. Where should that start, Mr. Chairman? I thought the Minister said Friday it should start right in the Department of Education, now he has backed off and he said, he didn't mean what he said. So I'll leave that. So while he is standing up here giving us a eulogy of the great things he is doing, he's still not backing up what he promised me. He believed it on Friday, he believed in small business, he believed in the stay option plan, he believed in productivity, he can't show me that he has a dollar in this —(Interjection)— Now let me go a little farther and ask him —(Interjection)— No. Let's talk about the discipline of children and I'm a musician, I've been a musician all my life and I wonder the Department of Education, I don't blame this Minister — I see, in the composite school in Swan River today, a beautiful brass band in the composite level, facilities in there for kids and this is for discipline of children. The children today have all kinds of spare time and I see in Swan River where they at the composite level, they have this sound room and all the facilities where the kids can plug in and hear themselves being played back but I ask the Minister, is there a couple of dollars in here for that type of discipline for children in the music field at the elementary or the high school level?

MR. CHAIRMAN: The Honourable Minister of Education.

MR. TURNBULL: Well, Mr. Chairman, it is always interesting to deal with the questions raised by the Member for Roblin because, as I say, he poses the question in such a way that the answer would appear to be obvious and, indeed, with regard to the answer for incentives to divisions to provide training for children who would be going into business, the answer was so obvious that I really didn't

think that he needed me to take the time of the House to explain it to him. The fact is that as late as last Friday I made an announcement, which I also read in the House, about financial support to the schools in the Province of Manitoba and I want him to know and I guess although I hoped to save the time of the House on this, I hoped to be able to avoid taking this time but I'll find the particular section again, I hope. Oh, the Member for Roblin says, in fact, he has read it and that, therefore, he knows and the question that he wants the answer to he does know.

MR. CHAIRMAN: Order please. Order please. The Honourable Member state his point of order.

MR. McKENZIE: I did not say that I had not read the report.

MR. CHAIRMAN: Order please. Order please. This Chair will decide points of order and if they are disputed then it will be an appeal to the Chair but in the meantime there is no point of order before this House. Now we're drifting off into a bad habit here of starting and heating up debates from our seats. If the Honourable Member for Fort Garry wishes to be recognized, I will put him down. When a member on either side of this House has the floor, he has the floor and I expect co-operation from this House. If I'm not going to get it, there's going to be some fireworks. The Honourable Minister of Education.

MR. TURNBULL: Thank you, Mr. Chairman, for the floor, the whole floor and nothing but the floor. I have in front of me the announcement that I read in the House on Friday and I'll read a portion of it that relates to vocational education.

"A third priority which can be dealt with through the current budget of the Foundation Program and Grant Support is vocational education. Vocational education enables our young people to develop all of their talent and to provide our technological society with the necessary skills. The per pupil grant for vocational industrial pupils will be increased from \$325 to \$475 in 1977. On the basis of the existing enrolment, this will mean a total of approximately \$3.2 million for vocational education." I read that on Friday, Mr. Chairman, and I did think that the Member for Roblin, being an experienced legislator and being in this House for a number of years, would have picked that information up. In addition, I did send out, through Information Services of the government, news releases which go to every place in the province and I believe that those news releases contained information with regard to increases in the amount of money paid out for vocational education. The total amount of money provided is \$3.2 million. That is a line in the Foundation Program, in the line of the Foundation Program that has been in the budget for some years past. It is not the only amount of money that is provided for vocational education. There is money that is provided, or was provided in the past for capital construction and there is money that will be provided for re-equipment of vocational schools. So the amount of money, in direct answer to the Member for Roblin, that is provided for students engaged in courses that will lead to direct experience in business is well over \$3 million and I think that that in itself is a good answer for the question that he had, he wanted to know how much money, that's the minimum amount of money.

He also talked about discipline, I gather, arriving from mastering the use of musical instruments and he wanted to know what money did the department provide for that. Well, there are individuals in the department, in various places in the department, that are engaged in consultation work with the department, so there are resource personnel that the department does send out.

In addition, though, in that same announcement that I read out to the member, there was reference made to the need to enhance the freedom of operation of various local school divisions and I want to read that paragraph for the member, too, because it is a paragraph that does indicate the amount of money that is provided to the school divisions and it's money that they can use for purposes such as the music program that the Member for Roblin alludes to, being a musician. And the announcement I made on Friday says as follows: "Although the Department of Education should emphasize particular aspects of education through the Foundation Program and Grant Support Program, there is a continuing need to allow as much freedom of operation as is possible for local school divisions. To encourage decisions at the local level and to support local autonomy, the general per pupil grant will be increased 25 percent to \$125 per pupil. Total support through this provision in the Foundation Program will amount to about \$27 million." I hope the Member for Roblin, who is engaged in conversation with the Member for Fort Garry, heard this amount of money, \$27 million which will go directly to the local school division. "This large amount of money will enable divisions to determine many of their own priorities, especially for programs unrelated to the core curriculum required by the department." \$27 million dollars, Mr. Chairman, in my books, is a great deal of money, even for a government to provide and I think that the increase, the 25 percent increase, does provide the opportunity to local divisions to provide that kind of discipline that the Member for Roblin thinks is necessary when children study musical composition and musical performance.

MR. McKENZIE: Well, Mr. Chairman, what an interesting exercise to try and get some information out of this Minister. I thought the last Minister was bad but this one, I tell you, it's unbelievable. At least we recognized the last Minister didn't understand how to run the department, but this Minister thinks he can handle the portfolio. I tell you, it boggles my mind to see what we're passing here in monies to this Minister and let him run that department, it's unbelievable, it's unbelievable, Mr.

Chairman. And going into an election, I'm sure the Premier must be uptight he's sitting here tonight, listening to this Minister espouse and skate around simple questions that we're asking him, about a simple thing, is musicianship a credit in the Department of Education? Is bandmanship, you're the Minister, is bandmanship a credit in the Department of Education? Do you recognize it? And I'll sit down.

MR. TURNBULL: I did think that the member and I am positive that the member asked how much money was provided and I gave him two very specific answers about how much money is provided.

A MEMBER: You can spend all the money you want, you're not going to win.

MR. CHAIRMAN: Order please.

MR. TURNBULL: I don't want you to bring the Member for Roblin to order too often, I enjoy his boisterousness because I was kind of concerned that that kind of boisterous debate we might not have tonight because the Member for Brandon West, of course, is a very sober gentleman. I think that in answer to the last question raised by the Member for Roblin that —(Interjection)— Mr. Chairman, do I have the floor or not?

MR. CHAIRMAN: A point of privilege has been raised, the Honourable Member for Swan River.

MR. JAMES H. BILTON: The Honourable Minister in speaking about the Honourable Member for Brandon East, he said, West. He said he was much more sober than my honourable colleague. I think he should withdraw that remark.

MR. CHAIRMAN: Order please. I think the word sober, if one wants to look in the encyclopedia, has many connotations. The Honourable Minister of Education. —(Interjection)— Order please. I stated to the Honourable Member for Swan River there is no point of order. The Honourable Minister of Education.

MR. TURNBULL: Mr. Chairman, the Member for Roblin asked me the question as to what credits does the department recognize for bandmanship and I understand that there is one credit for each year of band activities that a student is involved in.

Mr. Chairman, it's my understanding that bandmanship in the school program would involve or include musicianship.

MR. McKENZIE: I hate to go back and try to get information on this because he's not going to divulge it to the committee. He doesn't know, or he doesn't know understand what, you know, bandmanship and musicianship is. It is a group or an individual, you can take it any way you want and I'm sorry that the Minister doesn't have. Go more knowledge and look at the composite school in Swan River and see how it functions there and the music and how those kids are disciplined, it takes up all their spare time and it's part of the composite level. I'm only asking the Minister does he recognize that he has some dollars in this item at the elementary level or the public school level because kids still play horns and stuff at the elementary level and the public school level and you only have to take a look at the Japanese experience to see what music has done for the children in that society, where it's built them up to their wildest expectations and they have become even better students. I thought the other Minister didn't understand and this isn't the first time I have been on this subject in the years I've been here, this Minister is more vague than the Minister that predeceased him in this department.

MR. TURNBULL: Mr. Chairman, I have answered the Member for Roblin and if there is some additional information that I can provide on this question, which he apparently has raised in years gone by, repeatedly I understand, then I will quite happily provide him with that information. I'm most pleased to accommodate the Member for Roblin in answering any questions that he raises.

MR. CHAIRMAN: 51(c)(1). The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, the Minister asked for certain information concerning a letter that was quoted for the record and the name of the person signing the letter. The letter was signed by B.H. Epp, Administrative Officer.

Now, I have a question for the Minister which I believe relates in or near this item for (c). In the 1976-77 Estimates we voted more than a million dollars, I think it was \$1,057,000, for the Professional Development Branch and my question to the Minister is, what happened to this branch and what happened to the funds?

MR. TURNBULL: Mr. Chairman, if memory serves, that question was asked and answered on Friday, I believe, but certainly, if the Member for Brandon West wishes, I will go over his remarks on Friday, his remarks tonight and make certain that my answer provided the other day is indeed all the information that he requires.

MR. MCGILL: Well, Mr. Chairman, I'm really interested in the function that was performed by the Professional Development Branch and how this has been taken over. The branch did work with the Department of Education personnel as well as teachers and other employees in the Manitoba school divisions. Who will undertake the training in lieu of this Professional Development Branch, who is doing the training within the department; with the personnel.

MR. TURNBULL: I assume, Mr. Chairman, that the question is who in the department has taken over the responsibilities for supporting teachers. I'm sure the Member for Brandon West does not

mean training teachers, teachers are trained in the Faculty of Education. Perhaps he might clarify that for me.

MR. MCGILL: Well, the Professional Development Branch, I'm sure the Minister recalls, is one that worked with the Department of Education personnel as well as teachers and it was able to provide them with some professional development services. Now, this branch has been eliminated and is there any group, or any other branch of the department that's taking over this function that would be similar to that which was previously performed by the Professional Development Branch and for which we voted a million dollars.

MR. TURNBULL: So that the Member for Brandon West then is not talking about the functions of the Professional Development Services Branch insofar as they were involved, as he said in training teachers, but he is interested in what the people that were in that branch are doing with regard to training people within the department. Mr. Chairman, I gave the answer to that question, I thought. The monies have been absorbed into Consultant Services, Program Development Secretariat, Special Programs and Projects. The extent to which these three groups are involved in training or, that's the word, I think, the Member for Brandon West wants used, training staff within the department is a matter that I think needs to be looked at. I am trying to recollect the degree to which the professional development services in the past did train departmental people — departmental people in my experience both as a teacher and as the Minister of Education are people who are already trained — and I don't know what he has in mind when he raises this question. He has not made it overly clear. I do, know, though, that within the Department, there are co-ordinators who do organize inservices for the department and there are services, seminars, talks given to departmental people that involve individuals through this whole program development and support services. Indeed, the Member for Brandon West knows, that I did attend one of those inservices a few months ago and did address what I was told were some 80 professional people in the department. That was at the beginning at 9 o'clock in the morning, I think it was, I did address the beginning of one of those inservices. If that's what he's talking about, I think that I can say those inservices are being provided and that in terms of giving the staff some indication of the manner in which I would operate, my expectations from them, my expectations of the department, the policy of the department and in particular communications between the Minister and the staff, I spelled it all out for them at that meeting. So I can just say in closing that this service is provided; it's ongoing and I think it should be.

MR. MCGILL: Mr. Chairman, obviously the Minister is confusing this question with one I asked him earlier about the Field Services branch: what that money was used for and how it was distributed and he did answer in a general way part of that question. But what I'm talking about now, if he has his last year's Estimates in front of him, is under 5.(c) Professional Development and Consultant Services which doesn't appear this time. Surely they are two entirely separate functions and the question I am asking now is: who is now performing, if anyone, or if any branch of the department is performing, perhaps it's been eliminated altogether, professional development and consultant services? Not the field services, we know what happened to the field services.

MR. TURNBULL: Mr. Chairman, there does seem to be some problem in communication between what the Member for Brandon West is alluding to and what he thinks I am telling him in response. I am not giving him an answer with regard to the Field Services branch; I am talking about Consultant Services.

In 1975-76, there was a group called Professional Development. In 1976-77, I understand the name was changed to Professional Development and Consultant Services. In 1977-78, the Estimates we are on this year, that same group is called Consultant Services, but there has been a disbursement of the monies provided for what used to be called Professional Development Services through the various agencies of the department that I have already mentioned. I hope that clarifies it for the Member for Brandon West.

MR. CHAIRMAN: Resolution 51.(c)(i) —pass. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, two questions in this area and the Minister is certainly at liberty to refer me to Hansard if I missed this point earlier in the consideration of his Estimates. My first question to him is whether these consultant services represent services essentially inside the department and inside the public service of Manitoba or whether it represents outside work, contract work, over and above the expertise that would be available presumably to the Minister from his own departmental sources and the second question is related to the priorities and the emphasis in terms of the delivery of these consultant services. I note in the annual report of the department that high priority areas for this section are specified as rural and northern Manitoba areas. I don't quarrel with any emphasis that the Minister and the department wish to place on assistance and expertise of this kind with respect to rural and northern Manitoba school divisions and schools, but I would hope that the high priority emphasis in those areas does not mean that there is a low priority given to schools in Greater Winnipeg.

MR. TURNBULL: Mr. Chairman, the last point that the Member for Fort Garry makes about the

emphasis that the department might place in urban as compared to rural as compared to northern areas is a point well taken. I can, if he wishes, get him a list of those people who are involved in the north and what they do there and in the rural areas and in the urban areas, if he wishes, but this is not something that is easy to deal with without giving him all the detail and we have to get down to the nitty-gritty.

As far as I know, there has been no de-emphasis of the work done in the City of Winnipeg. There are departmental staff involved in the City of Winnipeg, in various programs and there certainly are people involved in the north in various programs and I think that's needed because of the particular problems that are experienced there. I also think departmental work is needed in the city because of the particular problems involved in the city as he and I are well aware. The majority of the consultant services that are provided by the department are provided outside. I think that in total I believe, anyway and the staff will check it for me — I believe that the total involvement of the department in the field by providing direction for its services to teachers has increased in recent years. That certainly seems to be the impression that I get from teachers and administrators from the various school divisions.

MR. SHERMAN: Mr. Chairman, could the Minister enlighten me as to how that line of communication works? Is it initiated by teachers in specific schools who are anxious to have some support or back up or input in certain areas or does it originate the other way, with the service going into the schools and trouble-shooting?

MR. TURNBULL: Well, Mr. Chairman, if the Member is alluding to communication with the Minister of Education, then I can tell him that that is a two-way flow of communication; teachers write me, call me and talk to me when I make various appearances and tell me what a good job various people in the department are doing in consulting services and in other branches of the department. The initial contact from the field, though, for assistance from the department for particular programs does go from the field, as I understand it, to consultant services itself to the people in that section and that is ongoing.

MR. CHAIRMAN: Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I have seen the mobile reading centre out in the areas which comes under, I guess, this item and I am wondering if the Minister can give me some indication of, first of all, what has been the result of the centre and was the centre set out to the department recognizing the need for taking a look at the reading abilities of our students and how much money he needs in this item for the mobile reading centre?

MR. TURNBULL: Mr. Chairman, I know that the Member for Roblin does move around quite a bit and I am pleased that in moving around he has made a point of visiting the mobile reading van. He has asked a question, I would very much like to reverse the order here and ask him if, next time he spoke, he could tell me what he thinks of the mobile reading van because he is an individual that I think should have some opinion about it. I understand that the mobile reading van is providing quite an essential service and is well received by the children and adults — teachers that is, — that experience what the mobile reading van has in it.

I think that that's the kind of program that the department has developed over time, that is extremely useful for people in areas well removed from the more urban densely populated parts of our province. The program began three to four years ago and it operates upon request placed by a region and the van will then be scheduled to go there. The services are focused on one division at a time in a particular region. There has been very good field response to this mobile reading van. In the Estimates for this year 1977-78, there is \$15,000 provided plus two consultants and their expenses.

MR. MCKENZIE: Could I ask the Minister now that the program has been under way for a little while, he first of all hasn't told me what it cost and again he skates around these questions that we keep raising, I just asked him what's it cost and that's what the opposition is here for. We will have to justify these tax dollars that this Minister is spending and time and time again we raise these questions and he will never give us the dollars. I don't know whether his staff are not dollarwise or conscious-wise of the tax dollars that we have to be responsible for in education but it's a high priority and especially in the rural areas; education is a very expensive matter and members like myself and others in the opposition are sent here to justify and try and get from the Minister and this government what are we spending these dollars on. I would just like to ask the Minister to get more dollarwise and not so political or maybe if he doesn't have the answer, just say, "I don't have the answer," and we'll sit down but he stands up and he gives us a big eulogy. He's supposed to know all the things. Tell us, we're just ordinary guys like himself and we don't expect the impossible but we would like some answers and definite answers rather than skating here hours around talking. We're not getting the answers from the Minister. What's the program cost and secondly, what's the feedback you're getting. Was getting? the program worthwhile?

MR. TURNBULL: Mr. Chairman, I have sharpened my skates. Obviously it's my ability to shoot the puck. That is the problem here perhaps. The Member asked the question about costs — I distinctly remember and I certainly will check Hansard — I distinctly remember telling him that in 1977-78, the

mobile reading van program cost \$15,000. I gave him that answer. He then got up and asked me what the cost of the program was. I also told him there were two consultants and their expenses. Originally, the mobile unit cost approximately \$60,000 and I am sure that information was provided to him before if he was interested in this subject in years gone by. I hope that those two cost figures will provide the information to the Member for Roblin that he seeks.

MR. CHAIRMAN: Resolution 51.(c). The Honourable Member for Roblin.

MR. MCKENZIE: The Minister has again skated around. I asked him what's the feedback information, telling him is the program worthwhile or should we not be spending those dollars?

MR. TURNBULL: Mr. Chairman, the Member for Roblin and I are engaged here in a rather interesting exercise. I distinctly remember telling him when I was first answering him that the response from the field about this program was very good. I don't think I used the word very but I used the word good. Good field response, is the phrase I used. There were also other allusions that I made to the positive way in which the mobile reading van program project was received in the rural areas. Now I hope, having answered him twice, that he now has the answer.

MR. CHAIRMAN: Resolution 51 (c). The Honourable Member for Brandon West.

MR. MCGILL: Well, Mr. Chairman, with respect to the demise of the professional development branch which the Minister was attempting to explain and tell us just how this branch's activities and its personnel had been absorbed, would it be correct to say that the principal officers of that branch are now with the development and training under the management committee of cabinet? Would that be a correct assumption, Mr. Minister? Are there any other members, principal officers of the professional development branch that he has retained in his own staff?

MR. TURNBULL: Mr. Chairman, perhaps the best way of dealing with this would be for me to get an organizational chart with names and give it to the Member for Brandon West.

There had been two staff, I understand, who did go from this section to the management committee of cabinet and they are undertaking some work. I had the opportunity of meeting one of them at a management committee function some months ago.

MR. CHAIRMAN: Resolution 51 (c)(1) —pass; (2) other expenditures expenditures—pass; (3) Assistance —pass. 51 (d) Manitoba School for the Deaf. (1) Salaries. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, this is a subject area that I have raised before in other sessions of the House — not with this Minister obviously but with his forerunner or forerunners in the Department of Education — and one that is of concern to a small but significant number of Manitobans. I would appreciate the Minister's assurance that the kind of appropriation that we are being asked to approve in the Estimates before us is adequate to the requirements of that particular institution, which has, on the basis of my information and limited knowledge, had some difficulty in years past in meeting the requirements in the field which it serves, to the extent that a good many deaf children, deaf people in Manitoba, have to go to other provinces for the kind of education that they desire and deserve. I simply put it to the Minister as a question. I'm not advocating a larger budget for the Department of Education, but I think there are specific areas within the department's budget that can always use some rationalization and there could be overspending in some areas and underspending in others, and I would ask the Minister's assurance that the minimal kind of increase that's proposed in this area at the salary level is adequate to meet the needs of this particular institution. In fact, the overall increase in the budget is fairly slim. If that could be said of all departments of government, then I would find it much easier to justify, but there are other areas in which spending is up substantially. In this one, it's not up very substantially, so I hope that the people and the pupils who are served by this school are not being short-changed.

MR. TURNBULL: Mr. Chairman, I can appreciate the Member for Fort Garry and his remarks on this subject. He and I were both involved, as I suppose some other members were, in the development of an aural program for the deaf which is now domiciled in Gladstone School, and I know from talking to people in my riding that that program has been developed to satisfy children who were very profoundly hard of hearing but who were being taught to speak; which, Sir, is a miracle in my mind, a miracle carried out, first of all by the staff at the Society for Crippled Children and Adults and now, carried out by people working in the various divisions. I appreciate, in other words, the Member for Fort Garry's concern about children with this particular problem of hearing.

His concern, though, is about dollars and cents and it is true that the Manitoba School for the Deaf Appropriation for this year is pretty stable as compared to years gone by. The assurance he seeks is really a value of judgment. I believe that the program provided there is one that is meeting the needs of the children. Now, one can always argue that more money should be spent on this or any other program, but my information is that this is the richest program of its kind in Canada and there is more money provided for children in this school, Manitoba School for the Deaf, in terms of per capita, than is provided for children in any similar school anywhere else in Canada. So I think in terms of dollars and cents, which is his basic question, that I can say to him, in those terms, the program is relative to other places and very satisfactory indeed.

MR. SHERMAN: Mr. Chairman, I'd like to ask the Minister if the determination of the final Estimate figure in this Appropriation is reached on a basis of some consultation with the school itself or would it be handled through the public schools' Finance Board or is it handled through a specific branch of the department, independent of that board. Does it involve consultation with the officials of the school themselves?

MR. TURNBULL: Yes, Mr. Chairman, the budget process, I am sure you understand, is a long and complicated one. It really began for this Estimates book long before I became the Minister, but I do recall direct discussions with the Director of the school and his appropriate staff and other staff of the department about the budget for this particular operation. I might add — we were talking a while ago about teacher-pupil ratios - the classroom pupil-teacher ratio in this operation is 5.3 to 1, which I think is a very good ratio indeed.

MR. SHERMAN: Mr. Chairman, would the directorate of the school therefore have been apprised at some relatively early stage prior to going into the 1976-77 operational year — of course we're dealing here with the Estimates for 1977-78 appreciate that, but are they apprised sufficiently far ahead in the Minister's view to eliminate the unpleasant possibility of surprise in terms of the kinds of program expenditure that they can undertake for the ensuing year. For example, we're looking here at the Estimates for 1977-78. Now, are there programs or projects that the Manitoba School for the Deaf would perhaps have undertaken or contemplated a year ago for the 1977-78 year that might not be linked or meshed properly with this Appropriation, or would they have had a fairly clear indication at the time that they were mapping their future programs that this would be the general area of funding which they could expect?

MR. TURNBULL: Mr. Chairman, the budgeting process, as I understand it in this government and in all governments is on the basis of a twelve month projection and if that's sufficient time for the elimination of surprise, then it is. There's perhaps need for budgeting on a longer time frame. I know at the Telephone System, capital budget is on a three year term. That always strikes me, for the reasons mentioned by the Member for Fort Garry, as a better method of operating. Here, though, with the current budget, as I understand it's twelve months, I can't tell him whether in the fiscal year beginning last April and the budget process that occurred even six months before that, what the history was and the degree of exchange of information about budgets for this year. But I would think that in terms of global dollars, they would only know on a twelve month basis, roughly.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I have a couple of questions and it may come under the next item, the other expenditures. Maybe we should pass (a) and I'll raise it on No. 2.

MR. CHAIRMAN: (d)(1) — pass; 51(d)(2) Other Expenditures. The Honourable Member for Roblin.

MR. McKENZIE: On (2), Mr. Speaker, and I note there that on Salaries that there is an increase of some dollars and then under Other Expenditures, there's a reduction. I am wondering did the School for the Deaf ask for certain programs to be phased out while it looks like the salaries have been allowed to flow. Can the Minister advise me if in fact the School for the Deaf asked to have certain programs removed so the expenditure on this item can be reduced.

The other question I would ask, what happens to \$88,000 that's granted from the federal government. Where are those dollars expended?

MR. TURNBULL: Mr. Chairman, the decrease, I understand, is the result of a transfer out of the Manitoba School for the Deaf of the aural deaf program which I was mentioning to the Member for Fort Garry. I mentioned it to him because he was involved in establishing a similar program within the Winnipeg School Division. It's no longer part of the operation of the Manitoba School for the Deaf. The Manitoba School for the Deaf, as I understand it, operates on a total communication basis. The aural program is one which, as I said earlier, is teaching hard of hearing children to speak. So that accounts for the change. That answers the question of the movement out of the money.

The other question about the money that comes in from the federal government. He wanted some indication of why we got the money? He's nodding his head yes, he does want to know why. The money comes into the program here for tuition and residence fees from the Department of Indian Affairs. I assume from that that there are children who are of Indian ancestry in that school. Now the accounting system, which I gather the member is also asking for, is one of course where moneys are transferred from the federal government to consolidated revenues of our government, and then they are disbursed through the various lines, but the money doesn't flow directly. The Member for Roblin understands the accounting that I am speaking about.

MR. McKENZIE: One more question to the Minister. Was it Bill 58 last year, I believe where some of these programs now are going to be part of the school division level? I am wondering if the Minister can give us some indication of what's going to happen in some of our school divisions who are facing — I guess the Bill hasn't been proclaimed yet if my memory serves me correctly. Maybe that's the reason. Could the Minister advise us what we could expect in the rural areas with some of these

programs that are now going to be the responsibilities of the school division.

MR. TURNBULL: Mr. Chairman, the Member for Roblin was introducing perhaps a very useful procedure for the House. He was speaking from his seat with the mike on and that would certainly save a lot of jumping up and down on the part of members here if we could proceed in that way. His question, though, is one that really deals with a major policy of the government, namely the provision of a greater educational opportunity for those children with special needs. The introduction and passage of what is known as Bill 58, never at any time assumed that special schools, special programs and special projects of the kind that we are discussing here for the Manitoba School for the Deaf would be phased out. Many parents of children with special needs want those children to continue in those special schools, special programs, special projects, and those schools, programs and projects will continue as will the Manitoba School for the Deaf continue for the foreseeable future.

MR. McKENZIE: The next question to the Minister, when can we expect to have Bill 58 proclaimed?

MR. TURNBULL: I will quite happily deal with that question when we get to the appropriate line in our Estimates but this is not the place.

MR. McKENZIE: Which item?

MR. TURNBULL: The Member for Roblin wants to know which item. The particular item, I suppose could be the Grants package that we will be discussing later. I say that only because there is this year specific amounts of money set aside as they were last year for the implementation of Bill 58. I do not mean, however, to exclude discussion of this item here. We can discuss it if you wish, Mr. Chairman, it's just more appropriate in another place. I want to emphasize though that in addition to the special grants money that's put aside in the item that we've agreed to defer so that the Opposition will have a chance to review it, the item 3(a), I think it is, there's money in that total \$167 million for the implementation of Bill 58. There are other places we could discuss it, I think that's most appropriate. The Grants money provided in that \$167 million is not the only money that's provided for Bill 58 but I can address myself to this point when we get to that position in the Estimates.

MR. McKENZIE: I'd just like you to clarify for the committee and for us — I am looking for Grants here and I can't see it in my Estimates.

MR. CHAIRMAN: The honourable member please turn to page 20, Resolution 50, (a) School Grants and Other Assistance.

MR. McKENZIE: No, the Minister's salary.

MR. CHAIRMAN: No, no, Resolution 50 at the bottom of the page, page 20, Financial Support - Public Schools (a) School Grants and Other Assistance \$167,795,300.

MR. McKENZIE: I didn't know the item was being deferred. I apologize.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. JAMES H. BILTON: Just an item of clarification if I may bother the Minister a moment more on this particular subject. This \$88,000 recoverable from Canada, I understood him to say that this was to cover Indian and Metis children that were afflicted. I wonder if he has any idea as to the number of children this \$88,000 covers and whether or not any approach is being made for these unfortunate children as a federal grant in a continuity across Canada. Is he thinking of that in terms of doing something for these youngsters?

MR. TURNBULL: Mr. Chairman, I believe there are 7 children in the Manitoba School for the Deaf whose expenses in the school are covered by the federal government. I think that is the figure. It varies of course from time to time, but I do want to indicate to the Member for Swan River that I am speaking only of Indian children. Those are the only children that the federal government will assume responsibility for. They do not assume responsibility for Metis children. That's approximately the number of children then.

He asked for information about what other method there would be of providing the program for these children, what other method of funding, the whole question of negotiations with the federal government over funding of programs for people of native ancestry is one that has gone the whole range from the federal government drafting a White Paper which suggests that they get completely out of funding it, to where we are now, which is more of a status quo position. The federal government appears to be wanting to abdicate its responsibilities with regard to the education of native children and its responsibilities with regard to other services that are provided to native children. Both the native groups themselves and the provincial government of course are taking the position that funds for programs for native people should continue to be the responsibility of the federal government.

MR. BILTON: One more question, Mr. Minister. Could you tell us if this is an increase, this \$88,000, or a decrease over last year?

MR. TURNBULL: Mr. Chairman, I don't have that information for the last fiscal year nor do my staff but certainly it's a question that we can get and provide for the member.

MR. BILTON: The honourable gentleman will get it for me, will he?

MR. TURNBULL: Pardon me?

MR. BILTON: You'll get the . . .

MR. TURNBULL: Last year's figures?

MR. BILTON: Yes.

MR. TURNBULL: Mr. Chairman, yes, I will try to ascertain if we can obtain a comparable figure for last year, yes, and provide it to the committee.

MR. CHAIRMAN: Resolution 51(d)(2) — Other Expenditures — pass. (e) — Child Development and Support Services Salaries — Salaries \$1,166,900. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, we are at that stage where the Child Development and Support Services will be discussed in detail and I would like to refer to the Minister's previous position a moment ago when the subject of Bill 58 was brought up. Mr. Chairman, with respect, I know that you did not rule on this, but it would seem to me that Bill 58, since it has not been proclaimed and since there is no money therefore attached, should be more properly dealt with under this item of 4(e) — Child Development and Support Services.

I don't quite see how the Minister can argue that it should come under the financial areas of these Estimates because the bill itself has not been proclaimed and we would like to ask certain questions about the intention of the government in the matter of this bill because of the concern of the divisions and of the trustees for the intent of the bill. Now, we're discussing something that hasn't yet become law so I would think that it would properly come under Child Development and Support Services and I would like you to rule on that.

MR. TURNBULL: Mr. Chairman, in order to assist you in your ruling, I would like to say the following. My remarks really were addressed to a question which I understood got at the implementation of Bill 58 and there are specific dollars — last year it was \$484,000, this year it is more than that — specific dollars set aside solely for the implementation of Bill 58 and nothing else. Implementation involves planning grants, initiation grants to the local advisory committees in the various divisions. If you want to talk about implementation in its narrower sense, I suggest that we talk about it in Resolution 53(a). If on the other hand, Sir, you want to have a discussion of the provision of departmental services to children with special needs, then we can discuss that without any difficulty under this appropriation. It makes no difference to me really. If the Member for Brandon West wants that discussion now, I'm quite happy to enter into it, depending on your ruling, Sir.

MR. CHAIRMAN: The Chair is in a bit of a dilemma here. I mean, if you have your debate now, you're not going to have your debate under 50, you can't have it both ways. If you want to speak to Resolution 51(e)(1) with the proviso that the Minister has, then I would suggest this is the right place to do it, but we are not going to entertain another debate under Rule 50(a).

MR. MCGILL: Mr. Chairman, I think that is a proper interpretation. We would like really to ask the Minister what the policies of the government are pursuant to this bill. We want to really determine from him, if we can, whether anything is being done about this bill other than the consideration by more and more committees. I think the discussion would be more properly conducted at this time and it be eliminated from the other discussions in respect to the finances of the school system.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Chairman, I take opposition to that particular point, one on the basis of precedent that last year when the question of Bill 58 was raised, it was raised under the question of grants to schools, it was under that item that it was debated. And in particular, the line of questioning that was followed last year had to do with the question of proposed expenditures of moneys to implement the bill and to bring some life and shape to it. If we were to approach it now according to the conditions set by the Minister, then we wouldn't be able to get answers to those kinds of questions which were raised last year for which there were no answers at that time and for which I would hope there would be answers this year.

Therefore, while I am prepared certainly to discuss Bill 58 now, I would not want to be limited in pursuing the financial aspect of that bill under another appropriation.

MR. TURNBULL: The Member for Fort Rouge I'm sure did not mean that I was setting conditions on debate. Quite the contrary, Sir, I put myself totally in your hands as to where we should discuss this. As far as I'm concerned, the rules of the House should not constrain debate. If you want a freewheeling debate on this whole matter, I don't mind having a debate in both places or all the places you want. It's an important issue, one that should be aired in this House. It has certainly been aired adequately outside of this House and I would be quite happy to deal with it in both places, or either one, but I certainly in no way am even suggesting that I put or set limits on debate. Members are free to ask me whatever questions they want. I just spoke in order to give you some guidance. We can deal with a policy issue, with Child Development and Support Services, right here, if you so wish. The committee can do, I assume, anything it wants and we can discuss it here and in the grants area. I have no objection to doing either one or the other, or both.

MR. CHAIRMAN: The Chair is ruling that the debate will be in order here. Now, for the Honourable Member for Fort Rouge, if he will remember that the Minister's salary has not been dealt with, this is the catchall, you have your opportunity then to ask those questions at that time. The Honourable

Minister of Education. The Honourable Member for Fort Garry have a point of order?

MR. SHERMAN: No, a question, Mr. Chairman. A question to the Chair, Mr. Chairman, and that is whether the same ruling applied to Resolution 49, Appropriation 2, Evaluation, Research and Policy Analysis which appears again under the Financial Support appropriation which we will be dealing with at the end of the other appropriations?

MR. TURNBULL: On the same point of order, may I suggest that we just proceed with the debate and the members can ask whatever questions they want. I will endeavour to accommodate them and provide answers and make whatever policy statements they think I should make, give me whatever time they wish for me to make those statements, and that we just get on with the rather important matter of discussing Bill 58.

MR. CHAIRMAN: I thank the Honourable Minister . . . do you have a point of order?

A MEMBER: No, I'll pass.

MR. CHAIRMAN: We have changed the rules in this House but I think that one rule remains and it remains still in our House Rules, that the topic under discussion shall be relevant and to the item under discussion. That means you are not going to revive debate in two or three different resolutions through here. I've said to you, you have the Minister's salary at the end and God knows that's wide-ranging and freewheeling enough for you. If you can't find some way of bringing that in, then it's too bad. I think you have been here, all of you, longer than I have, many of you, and I think you know the rules of how to operate in this House. The Honourable Member for Fort Garry, did you have a question for the Minister?

MR. SHERMAN: No, you've answered my question, Mr. Chairman. I had a question but I didn't get very far with it.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, now that we have established our area of debate, I'll just rephrase or repeat the question. The Minister is well aware that school trustees and school divisions are very much concerned about the import and coverage of this bill and they would certainly like to know, and we would like to know, what the policies of the government are in respect to it. It so far is remaining unproclaimed, but it still poses that area which presumably must be faced by the divisions and so they would be very anxious and we would be very anxious to know what your thinking is at this stage.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. TURNBULL: Mr. Chairman, since becoming Minister last September, I have made every endeavour to take every speaking engagement that avails itself and I have spoken to many groups about Bill 58. I have spoken to groups of trustees, I have spoken to groups of teachers, I have spoken to groups of superintendents, and I have spoken to groups that have a special interest in particular needs of certain children. In all that discussion, I have endeavoured to do two things: first of all, to make it very clear that Bill 58 will not be proclaimed until such time as the divisions, who ultimately have the responsibility of delivering the programs for the children with special needs, are in a position both financially and in terms of resources and personnel provided by themselves or by the department and have all this available for the program.

There is, I believe, a second major point that should be made and that is that Bill 58 was never intended, as I said a few minutes ago to phase out special schools programs and projects that are now in place for the provision of special programs for children with special needs. Those are the two main objectives.

I think that the Member for Brandon Westwell knows that in some schools within his area of Brandon, there are special *ad hoc* programs that are provided for children with special needs.

I want to elaborate on the methods of delivery that the department has now in place. They are really many-faceted. We have, through Child Development and Support Services, staff numbering approximately 70 that are serving the province of Manitoba and I believe this year for the first time we'll be able to extend their service to all places in Manitoba. Their services are primarily by way of support to the teachers who are involved. That is one method of delivery, direct from the line department to the field.

A second method of delivery of services for children with special needs is through the co-operative model to certain groups of regions and moneys have been set aside for this this year as in years past. This method of delivery really, in short, involves the department paying for the salaries and expenses of the teachers' support personnel that are involved in providing the programs for the children with special needs.

There is a third method of delivery and that is of course through grants that are made available to various particular types of programs. For example, within the city of Winnipeg, the department of Education provides in the neighbourhood of one-half million dollars to the Winnipeg Child Guidance Centre. That Centre, of course, does provide assistance and programs for children with special needs. There is also, of course, the Manitoba School for the Deaf, an item which we just covered.

Finally, there are millions provided by way of grants for resource teachers. I believe a figure of over three million dollars is provided by the department to school divisions for the hiring of resource

teachers, many of whom are engaged in providing and delivering programs to children with special needs.

All in all, the funding of programs for children with special needs has risen in the last seven years from approximately two-and-a-half million dollars to approximately eight million dollars. That includes all phases, the special resource teacher grants, institutional teachers, the co-op delivery method, child development and support services budget, and other programs as well.

Eight million dollars approximately is the money that we are now setting aside or providing for these programs for children with special needs. That would include as well, I should say, the \$484,000 last year which was in the Grants portion.

That's the funding. There is commitment in terms of departmental personnel. There is commitment in terms of moneys from the provincial government for the provision of programs for children with special needs. However, as I said at the outset, the proclamation of the bill is one that I think in all common sense must wait upon the development within the divisions of the capacity for delivering the services to children. That capacity is now being developed through the implementation phases that we have introduced for Bill 58.

I should say that Bill 58, when it was introduced and passed in this Legislature, was followed some time later by a Statement of Intent made by the then Minister of Education. That Statement of Intent never at any time said anything more than that children with special needs should receive an education and program as close as is practicable to the regular school program that is being provided. That of course, Sir, means that not every child will be put into the regular classroom and I believe that too is common sense because as I said, not all parents want their children with special needs to be put into a special classroom. I think we need here not rhetoric, not political debate, but just straight exercise of common sense to make sure that the program is implemented with care and deliberation and is implemented in such a way that those children who have special needs receive the education that they deserve.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: I just have a very brief question of the Minister and again he boggles my mind and the people that I represent of Roblin constituency. He named off all the people that he has been in touch with regarding Bill 58. You forgot one crowd, the taxpayers. Did you speak to the taxpayers? You named off the para-professionals, the teachers, all your staff, all the others, but you forgot the important item, the taxpayer. And you said, "8 million bucks." Who is the \$8 million — it's the taxpayers. He's talking as if the money comes out of his hip pocket and just flows, as if you just pluck it off trees. I ask him why he hasn't talked to the taxpayers?

MR. TURNBULL: Mr. Chairman, there are times when I believe that the consideration of policy and program are perhaps even more important than concern with money itself. There is no question that I have talked to taxpayers. Every parent, every administrator, every trustee, every teacher, that I have spoken to about Bill 58 is a taxpayer and believe me, Mr. Chairman, I have spoken to hundreds and hundreds of people. They are all taxpayers. They are all, that I have spoken to on this Bill, in favour of the delivery of special programs for children with special needs. I think that we should keep foremost in our minds, in this debate that if we are to have equality of educational opportunity, those children, along with all others deserve a fair shake; they deserve an education and I would not like to, as the Member for Roblin has done, make light of their needs.

MR. McKENZIE: Can I ask the Minister another simple question? Is taxpayers' dollars the reason you are not proclaiming the Bill?

MR. TURNBULL: Mr. Chairman, the need here before Bill 58 is proclaimed is to ensure that the services can be delivered. The services to be delivered need program development; the services to be delivered need experienced personnel; the program to be delivered need facilities in some schools where it doesn't now exist. And there are other arrangements that may have to be developed before the programs can be delivered to those children with special needs and it is these practical arrangements that I believe need to be worked out before Bill 58 is proclaimed. These practical arrangements are now being worked out by local advisory committees operating in the various divisions across the province. Those local advisory committees, for the benefit of the Member for Roblin, are made up of taxpayers; they are intimately involved; or should be, with the divisional administration and trustees in planning the appropriate way of bringing appropriate programs to children with special needs.

MR. McKENZIE: Are you prepared to proclaim Bill 58 in the next two or three months?

MR. TURNBULL: Mr. Chairman, I have said that Bill 58 will be proclaimed when the programs, personnel and facilities that I think are necessary, and others advise me are necessary, are in place. Before that occurs, — occurs generally, perhaps not everywhere and not perfectly but occurs generally — I think that Bill 58 should not be proclaimed. There is much work yet to be done in this area and I think that the people involved, educators, parents and students, should have the opportunity of doing that work before the Bill is proclaimed. Proclamation will mean that the policy is

mandated and I think that, although there are two ways of going at this, that seeing that we are committed to one method of approach, that we should take due care and deliberation in implementing the programs necessary to bring into being Bill 58.

MR. CHAIRMAN: The Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Chairman, I agree with the Minister of the importance of this Bill and I am also agreeing with him that it requires some common sense to make it work. I must reflect upon the to — speech that he himself gave I think it was just after he assumed his portfolio — to the Council of Exceptional Children where he in fact indicated — well, whenever it was — that the Bill 58 was introduced into this House without any prior planning or ground work being laid by the government; that it didn't know what the cost would be; it didn't know even what the definition of special needs would be; it had no preparation in terms of all the kinds of very difficult and complicated, complex administrative and regulatory problems that would be encountered and in fact had introduced the Bill without knowing what the implications or ramifications of that Bill were going to be. It would seem to me to fly somewhat in the face of the admonition to conduct ourselves with some common sense. It strikes me that in a very critical and sensitive area, this government did not conduct itself with a great deal of common sense and has simply been in a catch-up game ever since and that one of the problems and frustrations we are facing is that the Department of Education was totally ill-prepared for any kind of implementation of this program when the bill was introduced and therefore it has been required to engage in an awful lot of rear-guard action since then trying to flush out and make some meaning of that Bill because it hadn't had the opportunity to do so beforehand and while I am not one to dwell great on the lessons of history as some other members of this House spend a great deal of time doing recounting past tales of sins of omission or commission, I am disturbed by this particular aspect as it seems to me that there was a fair degree of trifling — I don't know if trifling is the proper word, perhaps it is — with a very serious issue without the proper preparation being done. Therefore, it does strike me, Mr. Chairman, that in order to ensure that that same kind of, what can only be considered let's say as a spontaneous ad hoc approach to serious matters of education is not repeated, that we should find out from the Minister at this

stage what he his intentions are in relation to providing some basic definitions about the implementation of this Bill. It still comes back to the fact that at this stage in the game as I discovered it in speaking to teachers involved, they are still not sure what special needs means; what is considered to be a special needs child. Is it going to be a child only with physical, mental difficulties? Is it going to be gifted children, slow learners? Who are the special needs children that we're talking about and are we talking about 5,000 or 10,000? Are we talking about only those who are presently treated by other programs or are we talking in fact, Mr. Chairman, about the large number of special needs children who are presently enrolled in regular classroom programs for which there are no special needs programs presently available? How do we in fact go about doing the screening, analysis, assessment of their needs in order to bring the program up? But until the Department of Education Minister, I guess, is prepared to define for us what their definition of special needs is going to be and how we're going to go about discovering those who have those needs, it is very difficult for even the local advisory committees to properly do their work and it would again strike me that probably what is needed very soon is a tabling of the regulations before the Bill is proclaimed so that there would be some opportunity for school divisions and the professionals and the parents involved to examine what those definitions are and then be able to make some form of reaction. Again, I agree, I don't think the Bill should be proclaimed until there is a chance to fully examine the implications of it.

Now a second angle in that particular argument has to do with the finances. Now again I think this goes back to the hurry-up job that was done on the Bill two years ago but a study that I saw on the New York State's implementation of a special needs program indicated that the cost per pupil in over a three year period went up \$2,500 per pupil to implement a relatively limited special needs program or main-streaming program in the school. Now that is an enormous sum of money if you think about the number of children enrolled in our schools and at \$2,500 per pupil, it is a very heavy cost. It would seem to me again that this House should have from the Minister some estimate of the kind of dollars that we're talking about because doing a quick estimate, if that is the case, then we're probably talking in the order of some 15 to 20 million dollars additional expenditures simply to implement this program once it gets into relatively full swing. Now I can only take a rough estimate because without having had that definition of the kind of children that we're talking about, it's difficult to put exact numbers on it.

There is still a great deal of confusion in the minds of people who are interested in this particular program because none of these things have yet been clarified. It has been two years since the Bill was passed and yet none of these very simple, basic questions have yet to be answered. What kinds of special needs are we talking about? How are they going to be assessed? What is the form of limitation? What kind of special teacher training is now going on to bring the program into effect and what kind of timetable are we looking at so that there can be some planning and estimation on the

part of the school divisions involved?

I am not here to be critical of this particular Minister; I was extremely critical of his predecessor because I think that he was the author of many of our confusions right now in bringing the Bill in the way he did without any proper planning but I do think that the Minister now has an obligation to clear up the confusion and to overcome many of the fears and rumours that are swirling about Bill 58 and which are still very much the talk in teachers' commonrooms about how we're going to put this thing into effect; how we're going to make it work. For all his discussion so far, there is still a great deal of anxiety about that particular problem and I think it will only come about when those kinds of questions that I just asked can be answered and I don't know if the Minister can answer them tonight but maybe over reflection in the evening, he might be able to provide answers tomorrow, but at least give us some indication as to what his timetable, his exact timetable is to provide for the deliberation and declaration of answers to these particular questions so that we can overcome some of these anxieties.

MR. TURNBULL: Mr. Chairman, you know there are I suppose at least two ways of approaching any particular problem. One is to plan it all out in advance and then act; sometimes that is the way academics like to proceed — I don't mean the Member for Fort Rouge particularly — but they become so inhibited with getting it all spelled out in advance, that they never get down to resolution and action and decision making.

There is another way and that is the way that is being followed here to meet a need. Let us not forget that Bill 58 was introduced because there was a need — the need was to have schools accommodate children who had particular disabilities. That was the prime reason, as I understand it. There was some reluctance on the part of school divisions apparently to accept children who had special needs so we had to have, apparently, a Bill which is general in nature in order to deal with this particular problem. I think that the Bill has done one vitally important thing: it has created a climate in which debates or discussion, consultation can occur. I think that is important to remember.

We can always in retrospect with the luxury of hindsight look upon what has happened and be critical but this Bill was introduced and passed but not proclaimed because there was a need; because the Bill was introduced and passed, there has been a public discussion; there has been an attempt on the part of various diverse groups in our society to come to grips with how and in what way we can best educate these children. I think that's a very vital result of Bill 58 and not one that should be easily brushed aside by members who, for whatever reason, might want to do that. Clearly there is need to have Bill 58 implemented with the involvement of people in the local areas. The government is committed because of Bill 58 and the money to implement it to a process of consultation with local groups.

Now members opposite will frequently ask that the ministry — when I say members opposite I don't mean the particular group opposite now but groups that have been opposite for years — will ask the ministry to bring into consultation those individuals, those groups that have a particular interest in whatever legislation or program the government is introducing. That process is what is involved with the implementation of Bill 58. I believe it to be a valuable process. I believe that it involves parents and teachers at the local level and let us not forget that very little change in education of meaning can take place unless the regular classroom teacher is the medium through which that change can occur.

This process that we are committed to is intended to involve what are called local advisory committees in the local divisions. These local advisory committees are in 38, roughly, school divisions and in six school districts. They have been formed; they are meeting and they are bringing to bear their particular interests, knowledge and concern to have programs developed that will be suitable in their local areas and I think that is very desirable because I think Duck Mountain has a much different approach to problems than has say the School Division of Fort Garry. I believe River East has a completely different approach to these things than has say, Lakeshore. I think school divisions and the local advisory groups there should go through this process of consultation because I think it is essential to the development of program that will meet the needs of the children in those local areas.

Now we could have gone the other way around, that's true and developed the program at the centre, imposed it on the divisions, and that is often done and when it's done that way, of course, members opposite — whether it's these members or members of years gone by — are critical and perhaps for a good reason. This is a fully and completely consultative process at the local level.

In addition to that, at the provincial level, there is an advisory committee on the implementation of Bill 58. It is composed of people representative of school trustees, superintendents, teachers and parents of children with special needs; parents who are also coincidentally or concurrently, rather, members of groups who have particular interests in certain children with particular disabilities. This provincial level implementation committee advisory to the Minister also involves the Dean of the Faculty of Education. I have appointed him to that committee for reasons of ensuring that the Faculty of Education has total knowledge of what the advisory committees at the provincial level is doing with regard to the implementation of Bill 58. I think it is important that the Faculty of Education know what

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the various groups involved are thinking with regards to the implementation of Bill 58. It is a consultative process; it is a democratic process; the provincial government is funding the process both at the local and at the provincial level solely for the implementation of Bill 58. All this that I have just mentioned, of course, is in addition to the millions of dollars that are provided to other appropriations in the Department of Education for the delivery of programs to children with special needs.

Now, members opposite can be critical of this consultative process, that is their right if they want to be critical but I don't think it's a process that should be discarded by members opposite. It's valuable; it involves people in very important decisions; those decisions that influence the education that their children receive.

MR. AXWORTHY: Well, Mr. Chairman, when the Minister talks about ways of making decisions and suggests there is the academic way of actually doing some planning, I take that as a great compliment. I suppose there is a way that Ministers of Education make decisions and that is to contradict themselves from what they said two weeks ago from what they say now in terms of it. It reminds me, Mr. Chairman, when I heard the Minister speak about the way he likes to plan legislation, of the old nursery rhyme which said, "I let an arrow fly into the air; where it lands I know not where." I think that that's the basic point that they let Bill 58 fly hoping it would land somewhere and then land the right way up. No one here is arguing against the consultative process but to have consultation you need to have something to consult about. Bill 58 was a three or four line thing in a Bill with nothing more to it. It wouldn't even be called bare bones; I think all you could probably call it was an embryo of an idea and the Minister did not answer any of the questions I posed. The fact of the matter is that if you're going to have these local advisory committees consult and make them democratic and every one chew it over, they should have something to talk about and not have to conjure things out of thin air.

I think it simply goes down to the total and complete lack of preparation provided any of these answers and I am surprised that the Minister of Finance who is only sitting one chair away didn't rear over and slap the Minister of Education fully across the wrists for his cavalier answer to the way government programs are not being planned and that's simply, "Let's let the Bill go, guys; what's it going to cost — I don't care, I mean, let's get it out there because it's important to get discussion going."

Well on those grounds, Mr. Chairman, you know that the so-called budgeting and programming on the government level would be a free-for-all. The fact of the matter is though that depending on how you define special needs; depending on how you define children with disabilities, you could have 10,000 children or 20,000 in the program and it could be a difference between \$10 million or \$20 million and it would seem to me that these local advisory committees can only do their job to the extent that they have at least some basic guidelines to work with. Those guidelines are not available. They really are having to almost create in some sort of magical formula their own definition and when it comes back to an intervention I made last week about what is the Department of Education for, I think that question becomes all the more poignant and pointed at the present time. Surely if it can't provide at least some thrust and direction in this area, some guidelines for which the local advisory committees can then respond and a discussion can then take place, then maybe we shouldn't have a Department of Education. We can take the money we spend in the Department of Education and turn it over to the local advisory committees so they can implement Bill 58 and we can therefore make it a much more economical venture than it's going to be but why have a department if it's not able to provide the kind of direction and discussion point that is being required. That I think maybe should become just as much a criticism of the overall management of the department as it is of the particular implementation of Bill 58.

I come down to the point that we began this line of inquiry with, Mr. Chairman, and that is that there are a number of very critical and serious questions about Bill 58. Now there are many others; I don't know if time will allow for us. We might leave that line of questioning tomorrow. Just to give some indication of the continuing concerns that I would have about Bill 58 is its whole relationship to other departments in the provincial government.

The Department of Health and Social Development to give one prime example, presently has financial responsibility for many of those children which would, once Bill 58 is implemented, come under the educational system. Should we not have some indication of what was going to be the transfer of responsibilities from those children who are presently under the jurisdiction of Health and Social Development and the General Welfare Act and Corrections and so forth, who will then be drawn in under the so-called Special Needs Program under Bill 58. Who is going to be responsible now for providing some decision and authority for those children; is it going to be the school or is it going to be the Department of Health and Social Development? It is my understanding frankly, Mr. Chairman, that at this stage in time, there is virtually no consultation between those two departments and yet, the area of concern is absolutely and critically important that those departments that are dealing with this general area of children who have certain disabilities get together on this whole

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thing. Now I don't believe that they have really got together because there has certainly been no indication so far and once they get together, how do you implement on the local level? How do you take a school division which all of a sudden had a number of children which have been under the jurisdiction of line agencies under Health and Social Development, Corrections, Child Welfare, etc. and all of a sudden move them back into the field, now it's become the responsibility of the schools. Now, that is a very major re-organizing job and I know that it gets technical but it is a critical one to make this Bill work. That's not a function of the local advisory committees to come up with answers for that. It is very much a function of this government; it's something that should have been answered by this time. We are, after all, two years down the track and you'd think after two years, we might have some answers. Well, Mr. Chairman, I see that you're anxious to get home and watch the news — (Interjection)— Pardon me? Well, I'm prepared to stay as long as the Minister is. I expect I've got the same degree of endurance, perhaps more than he has. If the Chair wants to close it, I'll pick up this line of argument tomorrow afternoon.

MR. MILLER: Mr. Chairman, I wonder if you'd call it ten o'clock.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW: Mr. Speaker, I move, seconded by the Member for Point Douglas, that the report of the Committee be received.

MOTION presented and carried.

SUPPLY - DEPARTMENT OF AGRICULTURE

MR. CHAIRMAN, D. JAMES WALDING (St. Vital): Order please. We have a quorum, gentlemen. The committee will come to order. I direct the attention of honourable members to page 5 in their Estimates books, Resolution 8(c)(4) The Milk Control Board and before we start, can I just remind honourable members to wait until they are recognized before speaking so that their remarks may be accurately transcribed. Resolution 8(c)(4) —pass. The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Chairman, I believe that the hour of adjournment at supertime I indicated that I wish to speak with respect to the Milk Control Board and I address this to the Minister in the most favourable of circumstances. I will forego my chagrin and very deep-seated anger at the kind of opening statement that the Minister made which I will respond to at the appropriate time, but in this instance seek out, to examine within in a non-partisan way the rationale for the existence of the Milk Control Board. Not only the rationale for its very existence but for the 40 to 45 percent increase in the appropriation for this particular board.

Now, Mr. Chairman, I recognize that the Milk Control Board is probably one of the oldest regulatory boards that we have had in the agricultural industry, dating back I believe to somewhere in the year 1934, 33, with many many previous administrations. It was a board that had a control in specific areas about the regulation, the allocation and distribution of quotas, allocation to processors of milk, etc. etc. But, Sir, this Minister and this government has made, of course, a substantive change in the dairy industry by bringing into play a Manitoba Milk Producers' Marketing Board with all its attendants, responsibilities and powers. I believe, if the Minister will remember that I spoke to him briefly about this, maybe a year ago or maybe even two years ago, possibly at the time of the introduction of the Manitoba Milk Producers' Marketing Board, and questioned him in the House at that time as to the necessity for the continuation of the Milk Control Board.

Mr. Chairman, I'm well aware that possibly the Control Board has some specific functions in terms of allocation of supply between processors, or some regulatory powers of responsibilities within the industry, but I would have to ask the Minister that whether or not these powers couldn't be more appropriately divided among the existing responsible bodies. We now have a responsible Milk Producers' Marketing Board. It's never been suggested to me, for instance, that we need a Turkey Control Board, or that we need a Boiler Control Board, over and above the marketing boards that we have for these commodity groups. I would like to think that the Minister, should the vote be successful in terms of the establishment of a Beef Board, that in addition to that Beef Board, we will also need a Beef Control Board of some kind. I would think that somewhere between the boards that we already have and the apparent responsible boards that we have such as the Manitoba Marketing Board that has a responsibility for some of the administration problems covering all boards in Manitoba. I would like to think that if we have a need for a regulatory roll that we have other boards existing that could perform that roll and I really wonder, Mr. Chairman, whether or not because the Milk Control Board has always been there when I was there, all the time that the present Minister has been there and all the time that many many other Ministers have been there, is this not a case where we simply carry on with a board in the kind of traditional reluctant way that once you establish something by government it never disappears. have no political axe to grind in this particular case,

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I'm just simply looking at an appropriation of some \$104,000, up from \$63,000 last year and ask the Minister and the department seriously to explain to me the rationale for the existence of this board. I'm sure the Minister and the department can tell me that this board does certain specific functions, but I'm wondering whether or not these functions can't be carried out, or can't be redistributed among the responsibility of the current Manitoba Milk Producers Board. The Minister likes to, on every occasion he has, to remind honourable members opposite that these marketing boards have the full authority and have the full responsibility of looking after their industry in their best interests.

The Manitoba Milk Marketing Producers Board is an elected board. It has come into being under the auspices of this government and I would like the Minister to explain to me, or at least to convince me, that this committee should be voting this particular board \$104,000 for its continued existence. I'm not suggesting, Mr. Chairman, that all of the \$104,000 is redundant, what I'm possibly suggesting is that perhaps some of the services being carried out by the board should be, and properly should be, carried out by the Milk Marketing Producers Board. Other functions of this board could be carried out by the parent marketing agency, the Manitoba Marketing Board, or indeed if you want to look, as the Minister from time to time likes to look at some of these items as a utility, that if there is a question of settling or having a special hearing to determine prices, allocation of increases, then we should do what we often do.

If the taxicab drivers in this province want an increase in fares, we strike a board and listen to representation and we determine a new taxicab rate in this province. If we have a concern about the price of bread in this province, the Minister of Consumer Affairs has struck a special board and we have sat down and we have made the manufacturers, the distributors of a basic commodity like bread explain and come before the public the reasons for increases in that particular product. I just simply can't understand the rationale, and you know I couldn't say this three years ago or four years ago, I can only say that now that you have established, Mr. Minister, a Manitoba Milk Producers Marketing Board, fully elected board, a board responsible to the dairy farmers and milk producers of this province, to look after their affairs. My question to you, Mr. Minister, is explain to me the need for this \$104,000 continuation of the Manitoba Milk Control Board, which I have the feeling is there because of reasons of tradition and I remind you, Mr. Minister, that when you and your colleagues first came to office, you suggested to us that you would not be concerned about, the word applied, to do away with tradition.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, first of all I would like to point out to members of the committee that the \$104,000 is representative of the same operating level as last year, with an additional \$41,000 added to it in order to facilitate a transfer of assets from the Milk Control Board to the Milk Producers Marketing Board. This transfer is somewhat overdue. In other words, at the time that the Milk Producers Marketing Board was established assuming some of the functions of the then Milk Control Board, certain assets were to be transferred over. They were not all transferred over, that is the financial assets were not, in that the board continued to use that source of revenue for its operations in that at that time there was no appropriation in the Estimates for it to be funded by. In essence this is really a rebate to cover a transfer of assets of about two years ago, so it's really a rebate that should have been paid a couple of years ago. It's an outstanding account. —(Interjection)— No. So that explains \$41,000. The other is an ongoing operational cost. Now the Member for Lakeside makes the point that because we have a producer elected board that there's a question as to whether there is a need for a Milk Control Board and in that connection I would like to point out that the Milk Control Board, or its functions, are much different than that of an ordinary producer board in that they do perform a utility function, they have the responsibility of setting retail prices, which no other board has that responsibility in this province at least. And also the setting of prices for agricultural products, mainly milk. So in that they operate a utility function as opposed to the kind of operation that all other boards have in this province, that they have to be distinct and separate. There would otherwise be a conflict of interest if those responsibilities were placed within the realm of a producer marketing board. It could be argued that this agency could be integrated in with the Manitoba Marketing Board which is a supervisory agency and we looked at that a couple of years ago and came to the conclusion that if there would be any savings of dollars, it would be marginal because most of the costs involved here are costs with respect to advertising and public hearings and receiving of submissions and so on on, the processing of the same. The overhead costs are a portion of that.

Secondly, it has been working very well. The present Milk Control Board has done a fairly good job and we think it would be too much to enlarge the Manitoba Marketing Board with the addition of the members of the Milk Control Board, and the members of the Milk Control Board of course would not be knowledgeable at all about the role now played by the supervisory agency. So it may be somewhat less than in the public interest to try to tie the two together. We think the Milk Control Board is performing a very good utility service to the province or to producers and consumers.

MR. CHAIRMAN: I would ask the honourable members to bear in mind that we are in Committee of Supply. They should direct their remarks to the Chair and not to other members. The Honourable

Member for Lakeside.

MR. ENNS: Certainly, Mr. Chairman. It is with delight that I will be referring my remarks to you, Sir. The Honourable Minister confuses me. The Minister is reasonably concise in his ideological approach to questions, but in this particular case, he leaves me completely baffled. For instance, I am sure that the members who sit on the Turkey Marketing Board in the Province of Manitoba, would take it as a supreme insult to their responsibilities and to their intelligence to have imposed upon them some additional board to tell them how their product is to be marketed, indeed, how their supply of their product is to be brought on to the market, that the Turkey Board makes those decisions as they are properly their decisions to make. That CEMA, the national egg marketing board, decides when 28 million dozen eggs should be thrown out or not, decides when and at what price eggs should be offered to the Canadian market, I'm espousing the supply and management principle that the Minister, Mr. Chairman, is very familiar with and has chastised us in the Opposition for being grossly ignorant of and unaware of and callously disregarded the welfare of mankind, Mr. Chairman.

But what I fail to understand in his brief explanation about the existence of the Milk Control Board is that he is not prepared to give the same authority, the same responsibility, to the duly elected members of the Manitoba Milk Producers Board. In other words, he says, "We have a Milk Producers Marketing Board in this province, but we can't allow them to set price, we can't allow them to do this or that, we need the imposition, in fact, we have to reach back into days of old, dating back to 1934 to maintain a lid on their behaviour or their action." That's in essence what the Minister has said.

And I believe, if you want to go the route of the marketing board and if you want to be relatively honest about it, what really is entailed in the marketing board philosophy is that you give into producers' hands, that particular commodity group, control and responsibility about how that particular product will be marketed. I think that we have in place a kind of parent body in the presence of the Manitoba Marketing Board to overlook or supervise in a greater way, the operations of all marketing boards in Manitoba. But the Minister has failed to convince me, in any real way, that this particular producers' board, namely the Dairy Producers of Manitoba, require yet another agency to kind of ride herd on them. We don't do that in the case of turkeys, we don't do that in the case of broilers, we don't do that in the case of eggs, and I suggest to the Honourable Minister through you, Mr. Chairman, that if it is his intention to do that in the case of the proposed Beef Marketing Board, then the Honourable Minister ought to send another letter out before the March 11th vote and so inform the beef producers of this province.

I'm not really looking for an argument with the Minister here. I'm trying to help him save \$100,000; for a Minister that has, from time to time, indicated some concern about the public tax purse and how he's prepared to hold the line.

MR. USKIW: Mr. Chairman, I appreciate that the Member for Lakeside would, at this late hour, try to influence the beef referendum, but nevertheless, that is not what is before us. What we are dealing with is the Milk Control Board and the reason for its existence. I want to repeat for the benefit of the Member for Lakeside that there is quite a difference between the role of the Milk Control Board and the role of a producer marketing board and historically, in all of the provinces of Canada, milk has been looked upon as a staple food commodity that had to have the protection of the state in terms of the guaranteed prices to the producer and in terms of a protection to the consumer. It was a . . . that's historic, and that goes back to the 1930's in this province, and it is not our intent to change. So that particular function has been retained by the Milk Control Board, the function to set prices on fluid milk only, which is what they had historically done. The Milk Producers Marketing Board has all of the other powers, namely, they have the powers of allocation, quotas, the powers of setting prices on all other classes of milk but what goes into the bottle trade. Nothing has changed except that the milk producers have now a complete marketing arrangement where they did not three or four years ago. Where before they had only a guarantee on fluid milk prices, they now have the facility of setting their own prices on all categories of milk other than fluid and the protection of the Milk Control Board in the setting of fluid continues prices as it did in the past.

So therefore, it's quite a different operation and is not at all analogous to any other board operation, and that is true in every province. The milk control board concept is not analogous to producer controlled marketing boards per se. It's quite a different objective altogether.

MR. ENNS: Mr. Chairman, it's not my intention to pursue the matter much further. I am satisfied with the information supplied by the Minister through you, Mr. Chairman, that the Minister recognizes that in the case of milk, the consuming public needs the protection of the state.

MR. USKIW: Right.

MR. ENNS: When it comes to beef or potatoes or eggs, some of these other mundane things that some of us need from day to day for sustenance, the state protection isn't required. Turkeys, broilers, it isn't required. But in the case of milk, this ministry and this government has, in its own way, come to

that conclusion that it requires the almighty hand of the state to protect the consumers. Mr. Chairman, I am well satisfied with that answer. Thank you.

MR. USKIW: Well, Mr. Chairman, I think that I would draw attention, for the benefit of the Member for Lakeside, to the national marketing legislation wherein we have a number of boards operating on a national scale, that there is consumer protection built in to that arrangement, so that is not a new concept whatever. What we are dealing with here is a very old concept, it's at least 30 or 40 years old, and it's a concept adopted in every province of this country many years ago.

MR. FERGUSON: The Minister states, and has more or less said that the purpose of this Milk Control Board was to establish prices, and looking at it, you find that there's \$104,000 involved, which is about \$10.00 a head for the people of Manitoba.

MR. USKIW: \$10.00 a head?

MR. FERGUSON: Well all right, ten cents. How many price changes have there been in the last two years? Could we put it this way?

MR. USKIW: I might point out, Mr. Chairman, that the Act requires that whenever there is a request for a price adjustment on the part of for a price adjustment on the part of producers or processors, that the Board shall cause a Hearing to be held to determine the questions, and there are no limits as to how many times in any given year that a request can be made. So the Board has to be functional at all times according to the present legislation. Now, they did have at least one hearing last year and I'm not sure if there were two. There is one being held at the moment scheduled, I believe it's for March or April. But that is the way the Act has read and does read at the moment, that any time there is an application for a price adjustment, the Board shall cause a hearing to be held or a series of hearings and they must make the determination, and there's no restriction on the number of times in any given year.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Could I ask the Minister how many members there were on this board five years ago and how many there are now, and who the members of the board are? Plus the cost, per diem rate?

MR. USKIW: The Membership of the Board at the present time is Dr. Paul Phillips who is Chairman, Mr. Ray Matheson who is Vice Chairman, Mr. Jessie Vorst, no, there's a replacement, it's Doreen Pruden, and Mr. Nick Semenchuk. There is one vacancy at the moment. Mr. John Vis was a Member of the Board.

MR. FERGUSON: Could I ask the Minister how many of those are milk producers and what the per diem rate is for the members.

MR. USKIW: There is only one member of this board who is a milk producer.

A MEMBER: Only one?

MR. USKIW: Yes.

MR. FERGUSON: And the per diem rate?

MR. USKIW: I believe at one time there were none. This is a consumer board, this is not a producer board. You have a producer board under the Milk Producers Marketing Board, and that's an elected board. I'm sorry, what was the next question, Mr. Chairman?

MR. FERGUSON: Per diem rate?

MR. USKIW: I'm advised, Mr. Chairman, that the Chairman receives \$70.00 on a per diem basis and the members \$55.00.

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

MR. GRAHAM: Thank you, Mr. Chairman. I have listened for quite some time to the Minister on his accountability in this particular aspect of his Estimates and I would like to ask the Minister if the activities of the Milk Control Board as it is presently constituted, and the authority that they presently have, has in any way affected the quality of the product that the consumer receives on the marketplace?

MR. USKIW: Yes, Mr. Chairman, there has been a very dramatic change that has taken place in the last year or perhaps more in that the Milk Control Board has issued an Order that milk shall not be sold as fresh — or reconstituted milk shall not be sold as fresh milk and therefore every plant — it must be assured that the milk that is bottled and sold to consumers as fresh milk must be fresh milk. So from that point-of-view there is greater consumer protection.

MR. GRAHAM: So then we can now tell the consumers of milk in the province of Manitoba that all milk that is marketed on the marketplace is fresh milk. There is no reconstituted milk whatsoever now being sold in the province of Manitoba.

MR. USKIW: I'm not sure about whether that's correct, whether that's true in the north, Mr. Chairman, because there was a different arrangement for northern Manitoba for obvious reasons and whether they have included the north in that Order or not, I'm not certain.

MR. GRAHAM: Can the Minister get that information and relay that to Members of the Committee here that are present or may be present at a later date?

MR. USKIW: Yes, that's no problem, Mr. Chairman.

MR. GRAHAM: Mr. Chairman, a second question. I would like to ask the Minister if the Milk Control Board has the actual control of the supply of milk to the marketplace or is that the control of the Milk Producers Board?

MR. USKIW: No, under the new arrangement, Mr. Chairman, the Milk Control Board has no other function other than to set prices and to determine quality and standards. The allocation of milk is entirely within the purview of the Milk Producers Marketing Board.

MR. GRAHAM: So then the decision to transfer milk from the general eastern area of Manitoba, from an operation which would be economically viable in a rural community, to transfer that milk to the Winnipeg milkshed would be the responsibility of the Milk Producers Board rather than the Milk Control Board. Is that right?

MR. USKIW: Yes, that's correct, Mr. Chairman. I think I should add to that, Mr. Chairman, that the Milk Producers Marketing Board is obligated to ensure that the fresh milk requirements are always met on a priority basis so that we do keep away from having to reconstitute milk powder in order to satisfy the daily demands of the consumers of fresh milk. That is the number one requirement.

MR. GRAHAM: Mr. Chairman, I've become a little concerned at times because I think in the milk business, I think that this is one aspect of the agricultural economy that has had control legislation and mechanism in effect for a greater period of time than any other aspect of agricultural economy. And yet it seems somewhat strange to me that where we have had the controls and the legislative powers vested in the various boards, that by the decisions of one board or another, they can effectively wipe out an industry in a rural community that has existed for years and has had a significant impact in the community that is involved.

I was really wondering if the Minister has any alternatives to offer to the communities that are so affected by the arbitrary decisions of the various boards in this respect, to compensate the communities for the loss of revenue that these communities over the years have come to enjoy and expect. I think that it's a concern for every rural community. I know in my own area I have a . . .

MR. USKIW: Mr. Chairman, I think I should raise a point of order because the subject that my honourable friend is on comes under Manitoba Marketing Board, not Milk Control Board.

MR. GRAHAM: Mr. Chairman, if I'm out of order, then there are an awful lot of people in Manitoba that are concerned about being out of order, or in order with this government.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. USKIW: This comes under Item 7.

MR. HENRY J. EINARSON: Mr. Chairman, on the point of order I would like to raise, my colleagues have been talking about the Milk Control Board and they have raised some very valid points as to whose jurisdiction does the responsibilities of our dairy production fall, whether it's the Manitoba Milk Control Board or the Milk Producers Marketing Board, and there has been an awful lot of controversy, an awful lot of difficulties associated with the producers of our dairy industry, the farmers namely, and how it is affecting the consumers of this province. So I make this point Mr. Chairman, because we are trying to allocate and find out just who has the powers insofar as our whole dairy industry is concerned. So I think my colleague from Birtle-Russell is making a point I think that is valid and is not out of order, Mr. Chairman.

MR. USKIW: Mr. Chairman, I want to point out to the Member for Rock Lake that we are dealing with the Milk Control Board which has the power of setting prices. We are not dealing with the question of allocation of milk to plants. When we deal with that problem we will be dealing with item number 7(b). When we get to item 7(b), we can adequately discuss the operation of the Milk Producers Marketing Board which has that responsibility.

MR. EINARSON: Mr. Chairman, on a point of order, we can maybe get to 7(b), Mr. Chairman, and the Minister is going to call us out of order . . . we are trying to find out where the responsibilities lie, that's my point.

A MEMBER: Be fair, Henry, now, come on, the Minister wouldn't do that.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, the Minister could expedite matters if he would simply explain to me why he deems it that important to the tune of \$104,000 that it's essential to have a board to set the price of milk and not to worry, for instance, about having a board to set the price of pork or beef or eggs or turkey or anything else, in the basic food commodities of this province. That's really the point that I was making with the Minister to begin with. I'm suggesting to the Honourable Minister that he has inherited a Milk Control Board that I inherited some years previous, that my predecessor inherited some years previous, but unlike I, this Minister did something about it. You introduced a Marketing Board into this province and you like to tell producers of this province that they are in control and destiny of their product, including price-setting, I might add —(Interjection)— to the extent that the market allows, unless you have a national agency such as we have with CEMA on eggs.

But I have difficulty, really, in really believing that this Minister puts milk on that pedestal above all other basic food commodities that requires a separate board for that sole function of setting price —

for that sole function of setting price. If it is the Producers Board that is allocating the supply and distribution of milk to the various processors, which now I understand is the role of the Marketing Board, if that function is taken away from the Control Board — we're getting awfully mixed up here when we're talking "boards" — that's part of our difficulty.

Mr. Chairman, really, I'm just trying to help the Minister out. I'm trying to save him \$100,000.00. I'm not asking for anybody to be fired. I suggest that some of the functions of the board, the Milk Control Board, are valid and undoubtedly have to be continued, but I'm suggesting that they could find a home either under the responsibility of the Marketing Board or under the parent responsibility of the Manitoba Marketing Board, or under such function as the Utility Board, for instance does — it sits every once in a while, that sets prices on such things as gas, hydro and other things.

Mr. Minister, I won't press the point any further except that you haven't told me why milk and not some other commodity, basic food commodity, is singled out by this department to receive that kind of special attention.

MR. USKIW: Mr. Chairman, perhaps I could sum it up by telling the Member from Lakeside that I guess I have the same affliction that he had and all the Ministers prior to his term of office since the Milk Control Act was put in the Statutes Books of this province, because inherent in that legislation, Mr. Chairman, was a need to protect the consuming public. In the powers that were contained in the Act, namely that the price be set to producers for fresh milk, not all milk, just fresh milk, and that prices be set at maximum levels at the retail level for the protection of consumers. We have not deviated from that long-standing position of government. In fact, Mr. Chairman, I would like to point out to members opposite that I don't know who it is that first introduced a Milk Control Act — it's many, many years ago — but only a year ago we passed a new Milk Control Act and I believe that members opposite voted for it. I believe they voted for it, so I don't know what it is that my friend wants to know.

MR. ENNS: Mr. Chairman, unlike all other Ministers preceding you, the difference is that you established, and I might add without a vote, a Producers Marketing Board in milk. That makes a big difference. There was no Producers Marketing Board in milk under the time that I was responsible for the department or any other Ministers of Agriculture in this province.

MR. USKIW: I believe that the Member for Lakeside is right, that the milk industry was only half-equipped to deal with the problems of the milk industry up until a couple of years ago, and as of then they have been fully equipped to deal with all aspects relating to milk pricing, its distribution and the enhancement of both the producer and the consumer in this province.

MR. ENNS: Mr. Chairman, on one of those few occasions where I can get the present Minister to agree that I am right, I will leave the committee floor.

MR. CHAIRMAN: Resolution 8(c)(4) — pass. 8(c) — Pass. Resolution 8(d) — Management and Operations Division, (1) Salaries — Pass. (2) Other Expenditures. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I wonder if the Minister could explain these other expenditures in this particular item.

MR. USKIW: Mr. Chairman, I think that first of all it might be worthwhile to indicate to the members what the role is here. We have the administration of the department, the accounting section, financial administration, computer services, personnel and training, plan analysis, communications, library, publications — that's pretty well it. That's what is involved in this appropriation.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: I'm sorry, Mr. Chairman, I kind of missed what the Minister said was involved in this. Would he repeat it again, please.

MR. USKIW: Yes, it's the general administration of the department to begin with, the accounting, financial administration, computer services, personnel and training, planning analysis, communications, library services, and publications. Those are all of the items under this appropriation.

MR. FERGUSON: Then this wouldn't include courses in the country, farm management courses, this sort of thing, that's another . . .

MR. USKIW. No, I believe not.

MR. FERGUSON: What part of the Estimates would that come under?

MR. USKIW: That would come under Farm Management, Item 4, on the next page.

MR. FERGUSON: Yes, okay.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: The Minister indicated personnel and training. I wonder if he could elaborate on that particular item, training for what?

MR. USKIW: We have a personnel officer and, of course, there's always an amount of staff training orientation, that kind of work that takes place so it's an in-shop approach with new employees.

MR. EINARSON: Well, Mr. Chairman, I'm always concerned about when he talks, he's very vague in his explanation and the kind of training what, you know, are you training people, your philosophy

or are you training people to understand the aspects of our whole agricultural industry. I have heard a lot, Mr. Chairman, about these various things and I am concerned as to just what ambition does this Minister have when he talks about training people?

MR. USKIW: Mr. Chairman, the fields are technical training, professional, job classification, management, it's all in the field of administration.

MR. EINARSON: I see, okay.

MR. CHAIRMAN: Resolution 8(d)(2)—pass. 8(d)—pass. Resolution 8(e) Research. (I) Policy Studies. The Honourable Member for Rock Lake.

MR. EINARSON: Yes, Mr. Chairman, I am concerned. There is no change in the policy studies. I wonder if the Minister could elaborate on this point just what are the policies that he's talking about in this particular section.

MR. USKIW: Well, Mr. Chairman, I can reflect on the last year's activities and within the policy studies was the livestock enquiry commission, study on farm machinery by the farm machinery board, and the livestock advisory committee expenses which led up to the referendum and the rest is just general policy statements.

MR. EINARSON: Yes. I would be interested in knowing, Mr. Chairman, if the Minister could elaborate on the farm machinery policy study: Exactly what does that entail?

MR. USKIW: Well, as I understand it, Mr. Chairman, the farm machinery board undertook to do an analysis of the sales and servicing of farm machinery, in particular used farm machinery as it may relate to different farm categories, that is, in size of farms and different commodity groups relative to the question of warranty services, general dealership service and so on. So it's for their internal information that they have launched those studies and that involved about \$12,000 of the total.

MR. EINARSON: Well then, Mr. Chairman, from experience and knowing the experience of many other farmers, in the production not just only second-hand machinery but of new machinery in this day and age, there are many complaints about why the quality of new equipment is not standing up. I am wondering if the Minister has had any studies on that aspect of the whole program of our implement farm machinery policy?

MR. USKIW: Well, Mr. Chairman, I do believe don't believe we've had studies on that aspect of recent days but I would recall, for the benefit of members opposite, that we did enter into an agreement and partnership with the other two prairie provinces in the establishment of the farm machinery institute. Manitoba is a very large contributor to that and we will be opening our facility here in Manitoba at Portage La Prairie in April of this year. That is really where that kind of evaluation has to take place.

MR. EINARSON: Well then do I take it then, Mr. Chairman, from the Minister that there's no evaluation to report here from what has happened in the other provinces since it's not going to take place until April in Manitoba.

MR. USKIW: Yes, I would suggest Mr. Chairman that what we should do is deal with that item when we get to technical services; in the meantime, I will try to get whatever information is available from the operation of the agricultural machinery institute since it's inception. I believe we cut the ribbon about a year ago in Humboldt, Saskatchewan, but there may be some data; I'm not sure just how much.

MR. CHAIRMAN: Resolution 8(e)(1)—pass. 8(e)(2) — Agricultural Research Grants. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, the research . insofar as the University always concerns me; I note that there's no change in the amount of funds that are being allocated for this very purpose. Research is something that

covers a very large area and we talk about the causes of disease in animals and diseases in cereal crops and so on. I am wondering why this item has not been somewhat increased because I get a number of complaints from farmers wondering why there's not more research done on problems that they have, say in disease in animals. They don't have the answers. Some of our veterinarians throughout the province don't seem to have an answer for them and I am wondering if that should not be and I'm wondering what the Minister's views are on this particular aspect?

MR. USKIW: Well, Mr. Chairman, first of all I would like to point out that a year ago we had substantially increased this grant; secondly, I would point out that this budget as I indicated in my opening statement, is a fairly close budget — we have tried to live within a restraint exercise in terms of total spending and this will be reflected throughout a number of areas in these Estimates in order to protect Manitoba's position in terms of its total spending relative to its revenues and therefore there are very minimal if any increases in any given area of the Estimates of the department. With respect to the research in animal diseases and so on, I would like to remind the Member for Rock Lake that we have contributed a tremendous amount of money into the Vets Services program in the last number of years — millions of dollars — and we have fairly extensive lab analysis which we did not have before and which work in harmony with the University people so that I am told that we have about the best arrangement in Canada in that regard. It's a fairly rich program so I would not want to

apologize for not increasing the research budget this year.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Does this tie in with the Veterinarian Services here?

MR. USKIW: Not this particular one, no. No, no, we have an appropriation elsewhere.

MR. CHAIRMAN: Resolution 8(e)(2)—pass. 8(e)—pass. Resolution 8 (f) Canada and Manitoba ARDA Agreement— Pass. Resolution 8(g) Canada-Manitoba Freight Agreement — Pass. Resolution 9 Manitoba Crop Insurance Corporation Administration. The Honourable Member for Rock Lake.

MR. EINARSON: Yes, Mr. Chairman, I wonder if the Minister could indicate the increase in costs here for the corporation and the reasons why it's gone from \$1,426,000 to \$1,541,700?

MR. USKIW: Well, Mr. Chairman, on that size of a budget, just the general salary adjustments represent a good portion of that, something in the order of 86,000. There's a staff increase of seven. The corporation has increased its volume of business very substantially in the last number of years and we have held them down to a static position staff-wise for quite a while and this year we are providing for a staff increase of seven, notwithstanding the fact that there is no staff increase within the department as a whole but rather a transfer from other areas within the department. So it shows up as an increase in Crop Insurance but it's taken out of other areas of the department.

MR. EINARSON: Then do I understand then, Mr. him to say that it's because of the increased activities within the Crop Insurance program he's had to increase his staff?

MR. USKIW: Yes, we have a very aggressive crop insurance program with a high participation rate. We really were swamped with claims and adjusters requirements and so on the last couple of years, far beyond the norm, so to speak and the corporation was simply handicapped in trying to meet deadlines so we did have to allocate additional SMY's or staff man years.

MR. CHAIRMAN: Resolution 9. Resolved that there be granted to her Majesty a sum not exceeding \$1,541,700 for agriculture. Pass. Resolution 10 Manitoba Agricultural Credit Corporation. The Honourable Member for Rock Lake.

MR. EINARSON: Yes, I wonder if the Minister could indicate or explain the reductions from \$3,109,000 to \$2,299,000 approximately in the Manitoba Agricultural Credit Corporation?

MR. USKIW: Yes, Mr. Chairman, as I indicated in my opening statement, that we have tended to underspend our capital allotment, in particular in the land acquisition area because of the high price of land. We intentionally played down the purchases of land under Land-Lease trying to avoid the payment of high land values. By not spending as much as had budgeted for, of course, there is a net interest saving in that every parcel does receive an interest subsidy for the first three years to say the least. There is also increased revenue from five year mortgage interest. I'm sorry — we now have an arrangement where every five years the interest rates are adjusted so that we no longer are subjected to a low rate for the entire duration of a contract. Two percentage points were added after the five year expiry period so this amounts to about half a million dollars in itself. There is also the financing from loan repayments rather than from new advances, that's another reason for it.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Yes. The sheet that we were issued today, Mr. Chairman, I think we require a little information on this lease agreement. Now, it's kind of been sprung on us and we just maybe haven't had time to go through it but do I take it that any land — we'll go back to when the program came into effect in 1973 — and as of now, probably 1978 — some of these agreements may be up when they were a five year term, what has happened to the capital gains between shall we say the 1st of April 1973 up to 1st April or as the case may be as of now, you can purchase land anytime. Is that correct?

MR. USKIW: Yes, that's correct.

MR. FERGUSON: All right. What has happened to the capital gains from 1973 on? Is it going to be charged to the individual or not?

MR. USKIW: From this point on or when a person opts to purchase, assuming one purchases tomorrow, they will have a credit of five percent of that gain each year for a twenty year period. In other words, if they remain on that farm for twenty years, they will have earned the full benefit of that capital gain. If they sell before that period of time, of course, the province will share in the capital gain depending on the length of time. So it's five percent a year; in other words, the first year the province will have 95 percent of the gain if a farmer chose to dispose of that asset very quickly. The second year, the province would share only in 90 percent and so on until in the twentieth year, the province would not be entitled to any portion of the gain.

MR. FERGUSON: Mr. Chairman, this is in the sheet that we have today but you still aren't answering my question. My question is: what has happened to capital gains — here's an example of 1973 . . . No, just a sec. Go back to 1973. When land was bought for \$100 an acre. The time the option may be up for in 1978 shall we say. Are you going to pick up the capital gains on that land. We're quite aware of what's going to happen if you buy today and sell tomorrow.

MR. USKIW: The statement as I read it earlier indicates that we would sell at the price that the corporation paid plus any subsidies. Okay?

MR. FERGUSON: All right. As it reads. The Corporation has been changed so that the lessee may purchase the land at any time at a price equal to its cost to the corporation.

MR. USKIW: That's right.

MR. FERGUSON: This is what you're standing by?

MR. USKIW: Yes, yes. Including all of the present contracts. It's retroactive.

MR. FERGUSON: It must be an election year.

MR. CHAIRMAN: The Honourable Member for Pembina. Use the microphone, please.

MR. GEORGE HENDERSON: Oh. I think this is a very important part of this whole agreement is because there's been capital gain go on from the time that this here 1973 until now. This is actually the time when land has pretty nearly tripled or doubled, maybe four or five times the price in some cases and do we understand this now that if a person was to exercise the option that no capital gain would be picked up here at all providing the man kept it for twenty years?

MR. USKIW: That is correct. The farmer would earn that capital gain by remaining on that farm for twenty years at five percent per year. In other words, it's an incentive to encourage farmers, young farmers, into the industry so it takes twenty years to earn that incentive.

MR. HENDERSON: Mr. Chairman, I have been one of the fellows who have criticized your program for not having ability for farmers to buy it in here but frankly I can't see the right of an individual being able to pick up those four or five years of capital gain if he keeps it for the next twenty because, supposing he purchases a piece of land for \$100,000, you know, it's \$400,000 now if we use a piece of land. We're talking about \$300,000 capital gain here that nobody's having to pick up. Even though I believe in selling them land, I just can't see this because it's giving that fellow an awful — well, it's just giving him too much as far as I'm concerned. You know, it's just too much. You'll find farmers who didn't believe in the program resenting it to no end if they think that somebody can get away completely with this whole capital gains.

MR. USKIW: Well, Mr. Chairman, I think what is important here is that the province does not realize any gain and that a farmer earns whatever gains there are and they will not all have gains; it depends on the price of the land and when it was purchased and so on, so that without cost to the province on that particular parcel, the benefits of the marketplace whatever they are are simply transferred on a twenty year basis. Now one of the problems that we had in coming up with that decision was — or in dealing with the old system — was the fact that we never assumed huge capital gains when we launched the program. You know, no one ever really expected the market in land to go up so dramatically and so the option to purchase was not all that meaningful to those people who entered the program on year one, bearing in mind the escalation in land values. It was really not much of an option if they had to pay those new values plus whatever subsidies that accrued over that period of time so in essence this makes it a meaningful, this makes it a meaningful option but we do want to lock them in, we don't want to be in a position where people will take advantage of this program, roll over the farm, inside of a year or two pick up again and get out of agriculture. That's why the 20 year provision. We don't see this as unreasonable, providing they earn their capital gain, whatever it is over a 20 year period.

MR. HENDERSON: ... work this out and if you think back, nobody, just nobody expected to see capital gains as they were over the last number of years. If a person can, by now purchasing, actually get the gain of all that capital gain, it's just not fair. In my opinion, that's just not fair, because we've had a capital gain that's been at least three times what a person paid. Suppose that he purchased a farm for \$100,000 at that time, or rented a piece from you that you purchased for \$100,000, it could be selling for \$400,000 now, and that's no exaggeration. So you're giving him \$300,000 there that's capital gain, as long as he keeps it for the next 20 years. And you know, while I'm in favor of helping people to buy when they start out, this sort of a deal where you switch it over and make it that much in favor of the fellow that used the land-lease policy, it's just not right. I can't see it that way and I'd like you to try to explain how you can see it that way.

MR. USKIW: Well, Mr. Chairman, it's not very difficult to explain. I posed the problem to the Member for Pembina, of how a young person can get into the agricultural industry at those high land prices without such a program, and really if the stay option means anything, if the policy of the government to maintain rural population means anything, then this certainly is one way of doing that. We are concerned that young people have an opportunity to get into agriculture and that the land prices not necessarily be a barrier, and if it so turns out that through this program some people happen to acquire land in order to become agriculturalists in this province, then we have achieved our objective' without any cost.

MR. HENDERSON: Well, Mr. Chairman, I can see where it's a big improvement where you're allowing people to become owners but if this could have been continued on in the way of making loans available to people now to buy land and such like, but this is allowing them, those years in there when there has been capital gain like we never heard of before. You're talking about a whole lot of money in capital gain in there that the person who used your land-lease policy can really take

advantage of, and that's not fair to the other people who actually work. Now I don't know what kind of a formula you could work out, but the one you have worked out right at present certainly doesn't seem to me like a fair formula. I can think of all sorts of examples, but I'm sure that your people in your department, if you think about it for a minute, can see that some person could be getting away with \$300,000 capital gain.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Well, the reason that we have to go along this line, Mr. Chairman, is that we're just about awe-stricken with what's going on in this because the Chairman of the MACC Board at one time said that basically, the young farmers would not own their land. We're quite aware of the fact that the policy of the government was that they were buying the land and it was going to be leased but the state was still going to control it. We went through quite a little deal this afternoon whereby the Minister went on at great length in his introductory statements about the compulsory livestock. Well, this is fine. In my own particular case, I have a neighbour across the road, because they belong to a program, they get three votes. They have no more cattle, no less cattle than we have. I farm with a family farm, we get one vote, and this, obviously, is NDP justice. It's a democracy, or whatever you want to call it.

Another question I'd like to ask the Minister, where are you going to arrive at this capital gains tax? If I buy the land today and I'm one of these lessees, I buy it today and I turn around and sell to capital gain tax, the Feds are going to move in and take their share of it, are you going to take yours before or after, where do you fit into the picture? All right, you're taking 90 percent, are you going to take it after the Feds take theirs, or are you going to take it before?

MR. USKIW: Mr. Chairman, first of all, I don't know how the honourable member can have it both ways because I can suggest to the Member for Gladstone that many of the opposition members bemoaned the fact that our option to purchase was rather meaningless, because of the escalation in land values.

MR. FERGUSON: It's a different deal altogether.

MR. USKIW: That's right. And we recognize that. So we are disregarding the marketplace through that program. The marketplace does not have much relevance here. — (Interjection)— How can you do it in a week? Mr. Chairman, secondly, the province is not involved in capital gains taxation. Thirdly, the Member for Gladstone suggested that the policy of the government was that there be no option to purchase, which is contrary to the policy. Well, I'm sorry, Mr. Chairman, the Member for Gladstone just said that the government's policy was for continued state ownership of the land bought under the land-lease program, and the member wishes to disregard the contractual arrangements with the lessee which have always been there, but have been rendered somewhat redundant due to the escalation in land values alone, so this redresses that situation.

MR. FERGUSON: Well, I'm sorry that the Minister misunderstood me because up to this point, as a matter of fact, within the last ten days, his government has indicated that they were going to take capital gains on the land. Well, I'm sorry, but I've asked the Minister several times, and if you check back through Hansard, whether capital gains will be taken on land that was purchased in 1973, and the answer has always been, "Yes, it would be taken." Now how do you have a change of heart in ten days? This basically is what I am asking.

MR. USKIW: Mr. Chairman, let me again remind the honourable friend that when the contracts were entered into or when the program was first established, it was not envisaged that inflationary factors would have such a dramatic effect on the program and that lessees would truly not realize their true option to purchase, that was never the intent. So we are merely altering the program in order to make that option meaningful, as it was intended in the first place. So it takes nothing away from that position. If the escalation in land values had been marginal, this would not be necessary, but the escalation in land values has been such that it's quite hollow to talk in terms of an option to purchase under the present arrangement, or the arrangement up until today.

MR. FERGUSON: Mr. Chairman, again, through you to the Minister, the escalation of land prices didn't happen within six months. It started on a gradual scale. It's certainly moved along very rapidly the last two years. But what I can't understand is that ten days ago, the policy of the government was that they were going to pay capital gains, then they change it overnight. And he says, "Well, we're trying to help the young guy". But up to that point, it really wasn't bothering him a damn bit. Getting back to the other question of the capital gains, the thing says, 95 percent if you buy today, sell tomorrow, we'll put it that way. Well all right now, the federal government are the people that are after capital gains. Are you going to take your tax after the Feds have taken theirs, or are you going to take it before? — (Interjection)— The Capital Gains tax, Mr. Minister.

MR. USKIW: Mr. Chairman, I am not familiar with any provincial capital gains tax. There is no such thing. I think I know what the member is alluding to. The province would obviously take its 95 percent first, in essence, which would result in the lessee realizing only 5 percent on which he or she would be subject to the federal capital gains tax. — (Interjection)—

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I'd like to ask the Minister how much money has the provincial government spent, that is the taxpayers of the province of Manitoba, how much has it spent in the purchase of farmlands in the province of Manitoba, to date?

MR. USKIW: Mr. Chairman, first of all, it's not quite to say it's taxpayers' money. It comes out of Capital Supply which is a debt against the province. It's not out of taxation. Secondly, I would like to say to the Member for Rock Lake that if you want an approximate figure, it's about 16 million over the period from 1973 to January 31, 1977.

MR. EINARSON: Mr. Chairman, through you to the Minister, then 16 million is an approximate figure of all prime agricultural land that is used for the production of crops, that is to allow a person to get on commercial farming.

MR. USKIW: Yes, Mr. Chairman, we're talking about the Land Lease Program. When I'm talking about \$16 million, it is only within the confines of the Land Lease Program.

MR. EINARSON: Well, Mr. Chairman, you know, the Minister made an announcement in the introduction of his Estimates this afternoon, and I would have thought that the Minister would have given the opposition the courtesy of making this more of a ministerial statement, to allow us the opportunity to peruse it, rather than to drop it in our lap on a moment's notice, without any knowledge of being able to come back and do any study on the matter. You know, Mr. Chairman, this gives me an indication as to how much respect — and I know how much respect the Minister of Agriculture has for the farmers of this province — less the respect he has for those of us in the opposition, because I've heard his comments.

But you know, Mr. Chairman, my colleagues and I of the Conservative Party have stated our position on this particular matter, where the government, using taxpayers' money and the Minister can say it's capital moneys, it's still the taxpayers of the Province of Manitoba who have to foot the bill insofar as this whole program is concerned. And the Minister indicated one of the basic reasons why this government got into this business, was because they were giving a young farmer or anyone else a choice of being able to lease land, rather than having to buy it because, in the last year or two, prices have gone up, and I'm aware of that. But you know, Mr. Chairman, I want to say to this Minister of Agriculture, that the choice of leasing land has been with farmers for 100 years, so when he's saying we're giving then a choice, I suggest to him that it's just not true. As far as we are concerned, he gave us this announcement this afternoon, because I think, I'm pretty sure when I say this, that my colleagues and I have stated very emphatically from Day One that we did not approve of Government of Manitoba getting into the business of buying farmland, using the taxpayers' money of this province, and the Minister can interpret it any way he likes. I can take him out to the rural areas, the people of the City of Winnipeg and other cities, if they only knew what was going on. The farmers in this province never did approve of this particular policy that the NDP government have been extending over the past five years.

Mr. Chairman, we're aware that election is just before us, and if my colleagues and I, among others, had not fought as diligently as we have, to express on behalf of the farmers of this province, let alone the taxpayers of the City of Winnipeg and other cities of this province, that we were not in agreement with this particular policy this government has been adhering to over the past five years. I think if the truth were known, Mr. Chairman, that only because of an election, this policy is being changed. I suggest, Mr. Chairman, if this government were to go back into power, there is nothing to stop them from changing that particular policy. Those are the comments that I want to make on this particular situation, Mr. Chairman. If the Minister wants to answer, I'd be glad to hear him.

MR. USKIW: Well, first of all, Mr. Chairman, I want to reject completely the suggestion that the Honourable Member for Rock Lake makes with respect to the tabling of my statement, because I do not recall in all of the years that I have been in the Legislature that the ministerial opening remarks in the introduction of his Estimates were ever tabled. I don't recall it ever by any government. But perhaps it may have occurred, I am not aware.

Secondly, in my opinion, I would have thought that the Member for Rock Lake would have appreciated a copy of that statement, so that he would not have to peruse Hansard a day later in order that he might make his contribution on this particular subject which is so important to him. If he does not appreciate that gesture, well that is something that I guess I can't change. But it was to facilitate the discussion here this afternoon and evening that I had indicated to staff that they should have copies available so that members would not have to lose a day in terms of the debate.

The Member for Rock Lake is quite right when he suggests that they have never endorsed the Land Lease Program and that is quite frankly, the philosophical difference of approach between the government and the opposition I am not surprised that they would not endorse that program, because they have always believed and continued to believe in the elimination process. If you go back to the years when the Conservative Party was the government in this province, the policy was, in fact, to as quickly as possible, reduce the rural population, rather than address itself to the problems of incomes in rural Manitoba. So that was the marketplace approach of the Conservative Party, which in fact advocated a reduction of farm numbers that would have seen 10,000 less farmers in Manitoba

by 1980 than what we have. So I am not surprised at all, Mr. Chairman, that the Member for Rock Lake would have not and does not support the concept of an alternative option for young farmers who are without capital, but would like to enter the agricultural community. I am not surprised at all. It is very consistent with their past performance.

MR. EINARSON: Well, Mr. Chairman, in reply to the Minister, I am not concerned about past reports, say, ten, fifteen years ago. As far as I am concerned, the time that I have been in office and responsible, I think to the farmers of this province, along with the rest of my colleagues, that when the Minister talks about the opportunities, I think that we probably were discussing two different philosophical reasons. I I overheard the Honourable Member for St. George who was saying, "Well, there's other members on this side are leasing land." I have heard this on many occasions in years gone by when they have thrown that at us about, we are leasing land, crown lands. I want to indicate, Mr. Chairman, to the Minister, that farmers have been able to lease crown lands for years, but it's not crown lands that were owned by private individuals in the first place. It's crown lands that have always been in the name of the crown. And I say, Mr. Chairman, there's a big difference, when we talk about leasing land from the crown. The NDP, or the government, I'm sorry, Mr. Chairman, have tried to confuse the issue by saying that there are those who are on our side, are leasing land from the Crown and I want to make it perfectly clear that Crown Lands that are being leased by, say if there are Crown Lands leased by any of my colleagues, it's land that's always been in the name of the Crown and not land that has been bought from farmers, which is good prime farm land and there is a big difference, Mr. Chairman, where I think that the argument is just not justified insofar as this government is concerned.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, I'm not at all surprised or amazed with the last statement of the Member for Rock Lake. I would like to correct him, however, in that Crown Lands were not always Crown Lands. A half a million acres of the two million acres which are now under lease were lands that were taken away from farmers on tax sales some years ago when things were pretty rough in agriculture in this province and over which nobody or the government of the day did nothing about, so let not my honourable friend indicate to me that all of those acreages were always under the ownership of the Crown.

I would like to also point out to the Member for Rock Lake and his colleagues that, yes, I understand fully their philosophy with respect to the lease options. They believe that the lease option exists within the private sector, that only wealthy people within the community should acquire more holdings in order to lease land to more tenant farmers and, of course, I needn't remind my honourable friend that my own parents left that kind of system in Europe, the feudal system where a few landlords owned the whole of the countryside and they had to be content with being tenant farmers, with no option to purchase and no rights whatever, not even a franchise, so I can appreciate the backward philosophy of my conservative friends opposite. They would prefer that they were able to and their friends were able to indulge in unlimited land acquisitions when it suited them and those that support their philosophy, so that they can become the big landlords that were so well known in the feudal times of the past.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: I can understand that this can become a philosophical argument for the next three or four hours.

MR. CHAIRMAN: Order please.

MR. EINARSON: I would like to ask the Minister why did he abort the policies of the Manitoba Agriculture Credit Corporation when he took office? Why could he, and my question is this, why could he not then, if he was so concerned about the young farmers who wanted to get into the business of farming, why couldn't he allocate a policy whereby the young farmers could borrow money from the Agriculture Credit Corporation to get into the business with a probably a subsidized interest rate?

MR. USKIW: Well, Mr. Chairman, I'm really amazed at the Member for Rock Lake because I'm sure he knows better than that. I'm sure he knows that most young people are not in a borrowing position, given the cost of setting up in agriculture today, given the land costs, building costs, machinery costs, that only those that have wealth could borrow more money for more wealth but people that don't have any wealth just have no access whatever, unless they have a very generous parent, or uncle, or perhaps win a sweepstake, but the entry into agriculture is almost completely barred because of the huge capitalization that is now required, it is almost non-existent with respect to the average youngster. Now I think that I have a good example in the committee here. I believe that within this committee that the Member of Lakeside would be in a very difficult position to accumulate the couple of thousand of acres that he has under lease from the Crown if he had to go to the marketplace to pick it up. Never mind the average individual who has no equity or no money or no fluid assets whatever with which to get established, so what we're talking about here are two groups of people in

particular. People who have small holdings, but which require an additional land base in order to make their operations viable but who are unable to borrow money because if they were able to borrow it they wouldn't be in this program and people who are new entries into the industry, young people, who would like to be farmers, who would like to be agriculturalists but are barred from it because of the large amount of capital that are now required.

MR. EINARSON: Mr. Chairman, just one final comment. I was talking about the program that was started by this government almost five years ago and there is a big difference five years ago and today and the Minister is answering me the conditions that are today and I think there is quite a difference from five years ago. I just want to make that clear.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Chairman. Why don't we try to wrap this together a little bit. I know the Honourable Minister's been a busy man in the last four or five weeks but, nonetheless, I would swear, Sir, that he has been following me around and listening to some of the speeches that I have made to my constituents throughout the province of Manitoba because I have often been asked, what will a Conservative Party or Government do with the land that has been acquired by the Manitoba Agriculture Credit Corporation under the Land Lease Program and how would we turn that around and reflect the philosophical differences that we have in terms of our preference for private ownership of land and bring this about and I would tell the people of Manitoba, the farmers of Manitoba, that (a) I would take away that clause that says that despite a good crop, or despite a windfall inheritance of good luck or what have you, that it wouldn't be necessary to lease that land for five years before you had the options to buy; secondly I would suggest that it's not necessarily correct that the government . . . profit by the purchase of this land that if, in fact, the public purse was paid back the monies that they laid out for the purchase of this land in the first instance then, in fact, as a steward of public money I would be fulfilling my responsibility in selling that land back for the same price plus costs that the corporation occurred and, as I go down the list I find, the list that's before me so, so precise in the position that, in fact, the Conservative administration will take, I might add when we assume office, that either I have to discuss with the Minister of Public Works about a possible bugging apparatus that has been put into our caucus room or, in fact, the Minister has been following me around and listening to some of the speeches that I have been making on this subject matter.

There are other things, of course, that become apparent. It becomes a little clearer to us why one Max Hofford resigned as president or chairman of the Manitoba Agricultural Credit Corporation recently because, as these philosophical differences that are now being enunciated by the Minister and this government become more apparent then, of course, one realizes why certain men of principle and high feeling, no matter how I disagree with those principles, felt compelled to leave an organization that they felt that they no longer had faith in or could pursue a particular policy. And when the Minister suggests that when they first began this program, that they had never envisaged certain things from happening, certain land escalation costs from taking place, I suggest to you gentlemen in the committee and to you, Mr. Chairman, through you to the Minister, that's hogwash and garbage.

What the Minister didn't envisage' Mr. Chairman, is the outright refusal on the part of the vast majority farmers to accept a principle that calls for the establishment of tenant farmers in this province. I suggest to you, Mr. Chairman, that this government is going to have a great deal of difficulty when this same Minister introduces into this House a piece of legislation that is concerned with the absentee landlord situation, non-resident owners of farm land, not specifically directed to foreign owners of land but, indeed, any absent land owner of farm land, whether he lives in the City of Winnipeg, Brandon or Portage la Prairie, because, Sir, among the rationales, among the reasons that they give, because they do not wish to encourage tenant farming and then exempt themselves as the government from being a purchaser of farm land. You see, Mr. Chairman, this government doesn't like farmers of Manitoba being tenants to anybody else but doesn't mind at all having Manitoba farmers being tenants to the government. Now that's — the Minister nods his head — that's understandable but that just defines another area of difference between my honourable friend the Minister of Agriculture and ourselves. Mr. Chairman, what really has taken place is an example, a demonstration of political cynicism at its height, a recognition that, particularly under the forceful leadership of my leader, when he speaks to the farmers of the province of Manitoba and he suggests that it is inconceivable that politicians in Manitoba have to talk to farmers in Manitoba about the desirability of them owning their own land, it was never conceived by most of us who have been in public life for awhile that we would ever have to be on a platform. And talking about the desirability of owning land, we have always assumed that to be a kind of a natural tenant of our faith and of our being and of our existence in this province but, of course, that's changed in 1969 and changed more drastically in 1972-73 with the event of this program. Mr. Chairman, what we have before us is simply a recognition of the political liability that the land lease program has presented itself to this government. I suggest to you, Mr. Chairman, that while I welcome the adoption of the future

Conservative administration's platform with respect to how we would divest ourselves of the acquired 170,000 or 180,000 acres of land that, in terms of political impact to the farmers of the province of Manitoba, it is far too late, it is not believable on your part and that an administration that has treated leases with the callousness that you have, with the callousness that you have — (Interjection)— well the Honourable Minister says, Oh well, and he has made passing references to a personal situation which I don't, I have no objection to because it's there for the public record and I certainly have been a lessee of land long before this Minister became part of the government, but the difference is that I at one time also had a ten year lease on my land; no rancher in this province has a ten year lease any more, no rancher in this province has that kind of security of tenure anymore. In 1967 the rancher's of this country were given ten year leases with the option to re-lease in eight years. That is all gone by the board, that is all gone by the board and we have annual leases, we have annual leases and if the Minister suggests that that is not the general matter, then I will charge him with personal persecution and discrimination against myself because I, as a one-time holder of a ten year lease, no longer have that ten year lease privilege, no longer have that ten year lease privilege. So I would suggest that to many ranchers, to many farmers in Manitoba, you know the kind of faith that you're asking us to put into documents, leases of the kind that you enter into and I might add there's a presumption of monumental gall when you talk in terms of 20 years from now, this government is going to pass on some capital gain advantages to somebody. My god, I'll give you maybe another term in a very generous mood but surely not 20 years, 20 years that is, unless of course we go to that practice that is practiced so often by honourable members opposite from whom they have a lot of respect for, whether it's gentlemen in Cuba that hold elections once in 17 years and only one party running, or elsewhere.

Mr. Chairman, I am exercised about this matter. I suppose I should feel flattered to some extent that, as my colleague, the Member from Rock Lake, and others have indicated, as we have spoken on this subject matter in the House, that now on this eleventh hour before the election, this Minister has seen the political wisdom of the day to so modify his land lease program that in fact dovetails very nicely with that program that the Conservative Party has been enunciating in the House and on the hustings because the hustings are there already for the last little while.

I draw one final point to the Minister's attention through you, Mr. Chairman, that despite the fact that the First Minister and the Minister used to on many occasions in the House, when it was suggested to them by members of the opposition that, in fact, the kind of a program that the Manitoba Agriculture Credit Corporation was embarked on was, in fact, a program of acquiring land into the public sector never to be returned to the private sector, they would point out to us, ah, but there are provisions for buy-back after five years. Granted the provisions are there, they were there in very fine print, very punitive measures to make it virtually impossible, in fact to predict that no land under the original terms of the lease would have ever been returned to the private sector. Now, Mr. Chairman, the best proof of that I have is the Minister's own statement when he begins by saying, on point number one of his statement, that the lease arrangements will be replaced by lease purchase agreements. Mr. Chairman, if the original lease arrangements didn't have a very clear indication that they were in fact lease purchase arrangements, then why change it now? Then why change it now? The fact of the matter is, Mr. Chairman, the Minister knows darn well and this government knows darn well that they have not been able to convince anybody in the farm community that the land lease program as it was constituted prior to tonight was anything but an absorption of private land by the state, a development of tenant farmers in Manitoba and they have become to realize the fact that this is politically incompatible with the vast majority of farmers, certainly not the kind of program to go to the people with on the eve of an election and now have presented us with their seven point program of reducing some of the political costs involved in this program.

Now, Mr. Chairman, there are many other aspects to the program and reasons for the program quite divorced from politics in fact, that are probably far more important, that have to do with the productivity of land, that have to do with the productivity or agricultural sector, that have to do with the maintenance of our agricultural sector as being the healthy and the viable one that it has been over the years, that supersedes the immediate political arguments that I have put forward. I am just taking time on this occasion to point out the convenience, the political convenience which the Minister has demonstrated by coming up with the proposed changes in the land lease program as we have up to now known it. I suggest to the Honourable Minister, Mr. Chairman, through you that out back where I come from and where the Member for Rock Lake comes from, the Missouri is a long way from us but, you know, we're not from Missouri and we're just not going to buy it.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, I would like to begin by pointing out to the Member for Lakeside that there are roughly 5,000 farmers, tenant farmers, in Manitoba on Crown Land, whether he realizes it or not or who rent crown land. So that represents a good portion of the 30,000 farmers who we have in Manitoba and that's a figure of long standing, it's not a new figure. In essence, tenant farming has

been a fact of Manitoba rural lifestyle for a long long time.

Now the Member for Lakeside alleges that it was never understood that there was a desirability on the part of farmers to own their own land and, of course, that is very much nonsense, Mr. Chairman, because I remind him of the report of the committee, the standing committee on agriculture, two years ago and its conclusions came down with the statement that most people prefer to own and operate their own land and that was a report that was endorsed by all political parties at that time. That was the conclusion that was drawn at that time and presented to the Manitoba Legislature so that the Member for Lakeside should not take credit that somehow he has an appreciation of that fact but that was the basis of a report presented by the committee to the legislature two years ago.

Then, of course, I would like to deal with the callous way in which the government has handled the crown land leases as alleged by the Member for Lakeside and remind him that we have now three years in which the government has waived lease fees because of the government's consideration of the depression in the cattle industry and the beef industry. I would like him to tell me when in the history of this province that was done before. He alleges that that's a very callous approach in terms of how the government deals with the — (Interjection) — Well, the Member for Lakeside alleges that the taxes and leases were always much lower and I would like to challenge him on that one, Mr. Chairman, because the taxes and the lease rates always did reflect the marketplace, the beef market.

MR. ENNS: It was something that we put in in 1967.

MR. USKIW: Well, all right, Mr. Chairman, I accept that, at least during their term of office that it did reflect the fluctuations in the beef market. Of course, they were never reflected to the point where the consideration was that there should be no rents paid whatever and if the Honourable Member for Lakeside wants to talk about callous treatment, I would then remind him of years gone by.

Secondly, the Member for Lakeside indicated that we no longer have ten year and five year leases and that is incorrect, that has not been altered other than — and this is yet something that the Member for Lakeside will find out fairly soon in written form since he is a lessee — that it is our intention very shortly to announce a lifetime lease arrangement for crown lands where there is no other use of that crown land intended; where it's designated as an agricultural crown land lease so that, in essence, — (Interjection) — We have moved far along the way in the direction of security opinions for those 5,000 lessees that have been somewhat insecure because of the short term arrangement that they had to date and that's one of the major changes that is taking place at the present time and it will be announced shortly.

The Member for Lakeside also made a point that the Minister is somewhat presumptuous in guaranteeing a capital gain over a twenty year period, that somehow is to be expected that this government would still be the government of the day twenty years from now and I would not want to doubt that for the benefit of the Member for Lakeside, but I would not want the lessee to be totally dependent on that and, therefore, would remind the Member for Lakeside that the twenty year arrangement of course is part of the contract, a legal document, and whoever it is that is in government would be obligated and bound by that document. So the lessee is protected with respect to the new provisions that were just announced.

So, Mr. Chairman, I reject very completely the suggestions that the Member for Lakeside has just uttered.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Yes, Mr. Chairman, I am glad to see that the Minister has had a change of heart in this program but what I want to express is I don't think it's fair the way it's been changed over. I don't think it's fair and I want to outline a few figures here if you'll follow them to see if it makes sense to you. This land in about 1973 could have been worth around \$100,000 and the same parcel today with inflated prices is probably worth \$400,000. Now in picking up the amount of subsidy that you paid in interest rates, you may come up with around \$125,000 that that man would have to purchase that piece of land for. Now we're saying the man that used the land lease policy can purchase a piece of land that's on today's market and is worth \$400,000 and he can purchase it for \$125,000. Now there we're talking of a difference of \$275,000 that that individual if he keeps this portion of land for twenty years will be able to get and that is the part in my opinion that's really wrong with your program. There's too much capital gain in there that that individual is going to be able to take advantage of because he was fortunate, shall we say, like by having the land to rent in those times and now he's going to get a \$275,000 advantage if he keeps that. Every year he keeps it — he'll be getting over \$10,000 of an advantage. This is the part — I'm not criticizing the idea of getting it back in private ownership, it's just that I don't think that the formula that you're using is right.

MR. CHAIRMAN: Order please. The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, I appreciate the point that the Member for Pembina is making but I would like to remind him again that I have never been one that has supported and espoused the marketplace as being sacred and this, of course, is a challenge to the system that is denying young people to get into agriculture and that is the intent of the program; that's the whole intent of the programs so that we don't have artificial barriers to the entry of young people into agriculture. Now it is

at no cost to the province in that we recover fully the cost of the land and whatever subsidy is attached thereto over the period of the lease years so, therefore, it is a useful tool towards making the opportunities for young people meaningful and towards trying to maintain a larger population base in rural Manitoba than would otherwise be the case if we depended on the marketplace as the only means of acquiring land holdings and establishing farmsteads throughout rural Manitoba.

MR. HENDERSON: Mr. Chairman, I would say that you're probably bringing this in for political reasons at this time but I would suggest to you, Mr. Minister, that . . .

MR. CHAIRMAN: Order please. Order please. Let's have only one member speaking at a time.

MR. HENDERSON: . . . bringing it in at this time, you are doing it for political reasons but the very fact that you're doing this is showing discrimination against other people in the very area because they will not be able to purchase that land that you're going to let that fellow have for \$125,000; they couldn't even purchase it at \$300,000. —(Interjection)—

MR. CHAIRMAN: Order please.

MR. HENDERSON: No, that has nothing to do with it. No, you aren't following what I'm saying. What I'm saying is there are other people in the area even though this parcel of land is worth \$400,000

MR. CHAIRMAN: Order please.

MR. HENDERSON: . . . the people who have used the program are ahead of the game; don't think that the other people won't resent it and this is what I can see. The people that have used the program already and now can get in and then if they carry this piece of land for the next twenty years, they are going to be able to save or to have a \$275,000 capital gain. Other people are going to resent it and you will find that this program is going to backfire on you because, shall we say, the majority of people by far haven't used the program and they'll hate to think that the people that did get such an advantage as that.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN: Well, Mr. Chairman, the first thing we welcome the announcement by the Minister because essentially what the Minister has done, as the Member for Lakeside has pointed out, is pretty much what we've been saying for a long time and it's pretty much what a good many farmers have been saying. The farmers, of course, will recognize this deathbed conversion for what it really is, a cynical election move and the Minister will be judged on the basis of this performance and his past performances.

I recall that during the hearings of the land use committee, the Minister has suggested that the report of that Committee said, and he tried to create the impression that this was the burden of that report, that was the thrust of the report — that it is desirable for individuals to own their own farm. That was not the thrust of the report. The Minister will remember that the main thrust of the report is that they had to get back to those farmers again because they weren't educated and they didn't understand what the government was doing. That's really what the report said.

But I see now that the Minister has taken the advice of the farmers instead. He has got the message after — he must have done a lot of cogitating on those reports that were compiled after two years of hearings. He must have found somewhere in those reports — (Interjection) — some of the advice that was given to him by a good many farmers, advice at the time that he wouldn't believe because he said, "It's a pity that we have had all these hearings and all these farmers have come before the committee complaining. They obviously don't understand what we are trying to do and that we have to go back and try all over again."

But that's really not the purpose in me being on the floor at this moment. I am concerned about another matter concerning the Manitoba Agricultural Credit Corporation. I want to ask the Minister, to what extent are the individual files of clients of the Manitoba Agricultural Credit Corporation held in confidence? Who has access to those files and who is given the opportunity of looking at them?

MR. USKIW: Mr. Chairman, I think that with respect to the confidence of the Credit Corporation's contracts; that the members opposite have probably violated that more than anyone and I refer to the debates in the House on a number of case situations where members opposite introduced names, posed questions with respect to applications, and the like. Now I suppose, you know it's an open question with me whether all of those files should be available in block to the members of the Legislature or whether we should only respond to individual case files that have been raised by any member. But that's really the position that members opposite have introduced to the debate for the last number of years. I recall lengthy debates on particular files, which was not the custom up until that point in time. That is the choice that members opposite made and I would have to assume that they have a right to every file and it's really public information if it is asked for in that way.

MR. JORGENSEN: The Minister should stop trying to fool himself and this committee. Just once in his lifetime the Minister should be honest with the committee and answer questions as they are asked. Who has access to those files? That's all I asked the Minister. Now, either answer it and give me an honest answer for a change . . .

MR. USKIW: Mr. Chairman, I believe I indicated that every Member of the Legislature has an access if they choose to put the question to me in the House and that's what we . . .

MR. JORGENSEN: Again the Minister slips around the question. I said, who has access to the files? I'm not talking about Members of the Legislature.

MR. USKIW: Mr. Chairman, obviously the Board of Directors of the Corporation. The Member for Morris should know that much, that the Board of Directors would have access.

MR. JORGENSEN: I'm asking for the . . . from the Minister's opinion, who has access to those files? Obviously the Board of Directors has. Obviously the officials of MACC have. Who else besides that?

MR. USKIW: I am not aware of anyone else that has any access to those files.

MR. JORGENSEN: Then what right has an employee of the Premier's office, what right has he got to go to a person and say, we have access, and I'll read the exact words, "I can get access to all your records through MACC. We can get the goods on you guys."

MR. USKIW: Mr. Chairman, I am not aware of the incident the member alleges, but I presume that anyone, through the legislature, can get access, as did the members of the opposition.

MR. JORGENSEN: That's a lie. The Minister cannot accuse us of getting access through any files without the consent of the person whose file is being investigated. And if that person has access or gives somebody authority to have access to that file they can get it.

MR. CHAIRMAN: Order please. I believe I heard the Honourable Member for Morris accuse the Minister of telling a lie. Now, he knows that that is unparliamentary language that he should not use in the committee.

MR. JORGENSEN: Then I'll withdraw that and ask the Minister to tell me the truth.

MR. USKIW: Mr. Chairman, I remind the Member for Morris that on a number of occasions in past years they have raised questions with respect to applications or people who had loans with the Corporation and in quite some detail questions were put and figures were quoted. So, you know, if the Member for Morris wants to know who has access, I would have asked him then where he got his access because he alleges that he should be the only privileged one and I suggest to you that having done so, and the legislature having debated personal files, that that is open to any Member of the Legislature.

MR. JORGENSEN: Now, the Minister slips around the question again. Just once, I would like the Minister to be honest with this committee, to be candid with this committee. He knows as well as I do, we never had access to anybody's files. If he's talking about the situation up in Swan River, all I quoted from was correspondence that was brought to my attention from the person himself. I never did see the file. I had no desire to see the file.

My raising of the question in the legislature was based on correspondence that I had with the individual concerned, nothing more.

He continues to allege that we had access to the files. We had no such thing, and we ask for no such thing. I ask the Minister again, who has access to those files, from the Premier's office?

MR. USKIW: Mr. Chairman, I believe that I have answered the Member's question . . .

MR. JORGENSEN: You have not answered the question.

MR. USKIW: . . . that the access is available to Members of the Corporation, the Board of Directors of the Corporation, and that's as far as it goes.

MR. JORGENSEN: Then what right has an employee of the Premier's office got to tell somebody

MR. CHAIRMAN: Order please. One honourable member at a time.

MR. USKIW: Mr. Chairman, I remind my honourable friend, the Member for Morris, that he likes to indulge in much discussion about personal files and I remind him of the case in the House where he chose to discuss the file of the Chairman of the Credit Corporation, which was really not his business to do, Mr. Chairman, but he chose to do so and we debated it, for three weeks.

MR. JORGENSEN: Mr. Chairman, the Minister is not being honest with this committee. We never debated that person's file at no time. We debated the correspondence that we got from him. At no time did we ask for, at no time did we receive that person's files. The Minister knows that. He's attempting to slip around the situation by covering it up by this sort of tactic and that's typical of the Minister. This is what he does all the time. That's one of the reasons that we don't trust the Minister and that's one of the reasons the farmers don't trust him, because he very rarely ever is candid with people when they ask him questions. The fact is that there is a person from the Premier's office who said he had access to those files, and I had some personal experience with that too because during the course of the debate that the Minister is mentioning, one of the backbenchers on the government side got up and asked questions about my particular file with the MACC. How would he know I had an account with the MACC unless the Minister had given him the information. I wonder who is getting the files and I wonder how secret they are? I wonder how confidential they are? I don't think they are. If it suits the Minister's purpose, they will provide access to those files to anybody, anybody at all who will do damage to the opposition or to somebody who is an enemy of his, or somebody who doesn't

support him. That's my conviction as far as the Minister is concerned.

MR. USKIW: Mr. Chairman, I would like to respond to the Member for Morris and point out to him that people who have applied to the Corporation for loans or who have received loans are perhaps their own worst enemies in that regard if they prefer confidentiality because usually that information comes from that particular source. It's not a secret in many instances.

Now, in terms of my role, I do not and have never seen the list of people who are involved with the Corporation either on land lease, although I have access, but I have never asked for it; or of the credit transactions that take place.

MR. JORGENSEN: And yet you have the audacity to suggest that we have.

MR. USKIW: Well, I don't know, I'm assuming, Mr. Chairman, that the Member for Morris had received information somewhere and my assumptions are as much as his assumptions are.

MR. JORGENSEN: Well, I've told the Minister that the information I received, I received from correspondence. I have never had access to those files and the Minister knows it.

MR. USKIW: Well, neither have I.

MR. JORGENSEN: But I ask the Minister again, . . .

MR. USKIW: I answered it.

MR. JORGENSEN: . . . I ask the Minister again, if he says he has not access to those files, how come that an employee of the Premier's office says he can have access to the file. I ask the Minister, does he or does he not have access to those files?

MR. USKIW: Mr. Chairman, I did indicate to the Member for Morris that I am sure that if I asked for them, I could get those files. I have never had reason to ask for them so I have never seen the files.

MR. JORGENSEN: Is that the route that an employee of the Premier's office would go through if he was to get confidential information from those files, through you and you would provide it for him?

MR. USKIW: I would have to assume that if he wanted information, that he could only get it that way but . . .

MR. JORGENSEN: Without the consent of the individual concerned?

MR. USKIW: . . . I have never been asked by any one for anyone's files in all the years that I have been there.

MR. JORGENSEN: And yet you would provide it to the employee of the Premier's office without the consent of the individual concerned?

MR. USKIW: Mr. Chairman, I have never provided any information to anyone on anyone's files.

MR. JORGENSEN: That isn't the question. Would you provide it?

MR. USKIW: No, not without the consent of the individual.

MR. JORGENSEN: That's all I wanted to know.

MR. CHAIRMAN: The Honourable the Attorney-General.

MR. JORGENSEN: It took a long time to get a simple answer out of you.

MR. CHAIRMAN: Order please.

MR. PAWLEY: Mr. Chairman, I just want to make one comment because the honourable members across the table were worried, very worried that there might be a change in policy direction, that this was a tentative type of statement and I would like to, in case there is any misunderstanding, draw their attention to page 6, the 7th clause, which states: "All existing lease agreements will be changed to leasepurchase agreements at the request of the lessee." So that would become a legally binding document and the honourable members need to have no fear that this is a policy announcement one day to be changed the next day.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Is it not our intention to quit at ten?

MR. CHAIRMAN: The committee is empowered to sit until the pleasure of the committee.

MR. ENNS: Would the committee consider it a pleasure if we adjourned at ten o'clock?

MR. CHAIRMAN: Is it so moved?

MR. ENNS: I so move it.

MR. CHAIRMAN: Agreed? (Agreed).