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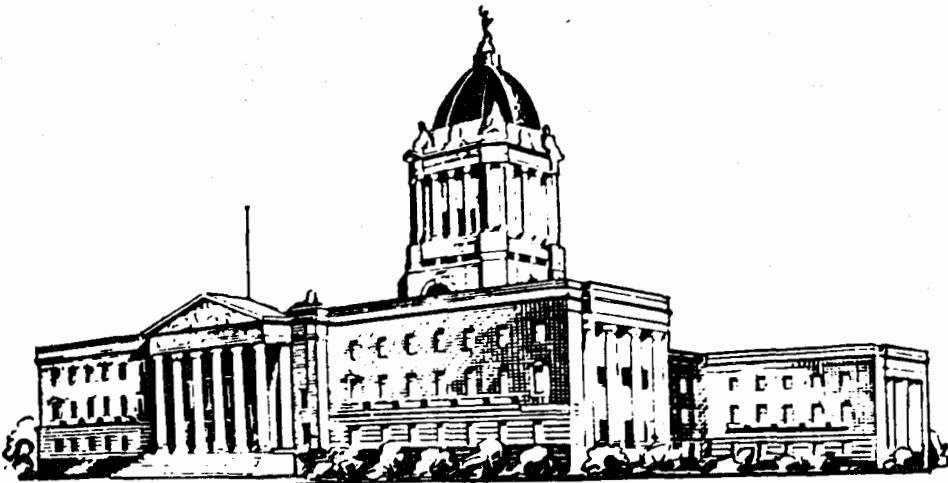
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COMMITTEE OF SUPPLY
ESTIMATES - EDUCATION

MR. CHAIRMAN: I refer honourable members to page 20, Resolution 50(a). The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, at the time the Committee rose at 4:30 I had just put a question to the Minister and I take it that the essence of the Minister's answer to me was that if the department finds that school divisions do not accept the implied suggestion of the Department of Education that the reduced pupil-teacher ratio at the elementary level should be utilized to strengthen the elementary system at no increase in cost, and if they decide to expand their own teaching staffs in the area of special category teachers, that the whole system of grant schedules and education financing, the whole structure might have to be looked at. I gather that that was the essence of the Minister's response to me. Is that correct?

MR. CHAIRMAN: The Honourable Minister of Education.

MR. TURNBULL: Mr. Chairman, you know, I don't want the Member for Fort Garry to take this in isolation. There is an approach I have to administering a department, which is one that does entail a fairly regular and systematic review of various policy matters. In education, clearly there is a contrast between the approach of, shall I say, complete decentralization where the province would pay one grant to a division based on some per pupil cost. Let us assume we gave every division, \$1,800 per pupil and just left it at that and anything else they want to do is up to them. That's on the one extreme. The other extreme, of course, is a system of categorical grants introduced by the previous administration, maintained to a certain degree by this administration, and desired by various people, particularly Teachers' Society and I thought that the Member for Fort Garry was arguing for categorical grants, and certainly they are a feature of our grant system. I think that if, in fact, there is need for review there will be review with those two points of view, those two poles within the range of the items reviewed, if the member follows me. Yes, I think that would be fair comment.

MR. SHERMAN: Well, I appreciate the Minister's answer, Mr. Chairman. I wasn't arguing necessarily for categorical grants but I was posing the question because certainly the Manitoba Association of School Trustees and Superintendents as the Minister suggests and others at that administrative level of the school system have raised the question themselves as to whether the foundation program is adequate to meet needs in those special categories. I don't know that I'm arguing for categorical grants of that kind, but I guess what I'm arguing for, or seeking some reassurance on, is that that aspect of education is one of those that is included in the Minister's consideration when it comes to education financing and that better, possibly healthier ways of providing — I suppose what would have to be referred to as enriched educational opportunities — are under consideration along with the basic program. Because in that area of special categories — music, art, home economics, etc., there are many divisions and the division in my own constituency, Fort Garry School Division, is one that finds the burdens of education financing devolving pretty onerously upon local taxpayers simply, well not simply because but partially because those programs in the schools require local financing as a consequence of the structure of the foundation program and the grant schedules. I just wanted to know whether there was any consideration being given to expanding the schedules in such way as to make it easier for some of those special category teaching positions to be recognized and authorized under the present grant system?

MR. TURNBULL: Mr. Chairman, there are a whole range of categorical grants for teacher authorization. These can be generally referred to as the special resource teachers. My last checking I think there were \$3.8 million provided by the department for teachers in those particular special categories, they were categorical grants. So, that is the answer to the Member for Fort Garry's question.

MR. SHERMAN: Well, I guess it's partly the answer to my question and part of the answer probably lies with the Fort Garry School Division too. I recognize that, that there is a substantial percentage of over-grant teachers in that division and I think the Minister is aware of that. One reason why there is such a substantial percentage of over-grant teachers is because of those special categories which are not, in the opinion of that school division at any rate, are not covered as equitably under the grant schedule as regular teachers in the basic education system.

There's another question that I would like to ask the Minister, Mr. Chairman, specifically related to a parochial concern. I have some questions of a universal nature that I would like to put to him and no doubt we will get into that area when we're looking at his salary but, while we're on this particular item, I would like to ask him why it is, and I appreciate his explanation of the mechanics here for me, why it is that in certain school divisions the foundation levy contribute is called upon to contribute

substantially more of the foundation program than in other school divisions. There are wide wide discrepancies in the amount of revenue extracted and made available for certain divisions from the foundation levy, and it seems to me that those kinds of discrepancies are inconsistent with the concept of the foundation program which is supposed to be 80 percent funded from the grant side of the operation and 20 percent from the foundation levy. If you take the amount of money that the local taxpayers in some divisions are contributing to education costs through the foundation levy and add that to what they're contributing through the special levy, you'll find in many divisions that the local taxpayer, the local property owner is paying an enormously high proportion of the total costs of education in that division.

Now, I recognize that the special levy is something that is controllable only by the school division and I suppose the fight for a rationalization in that area starts there, but the foundation levy is something else again and being an integral part of the foundation program and having been conceived as an element that was intended to fulfill 20 percent of that program, I find myself wondering about the wide discrepancies in that range. I might just say, Mr. Chairman, that the Honourable Member for St. Matthews took me to task a little earlier today in addressing himself to a Private Members' Resolution on income supplements for the elderly as a consequence of some things that I had said on that same resolution, related, in fact, to this very subject of the crushing burden of property taxes, and essentially school taxes, for many senior citizen homeowners and property owners. The Honourable Member for St. Matthews described my statements and my criticism of the government's apparent indifference to the problem in that area as outrageous and it may be, Mr. Chairman, that my statements and my criticism is outrageous in the constituency of St. Matthews. I defer to the Honourable Member for St. Matthews in that respect. It may well be that my statement is outrageous in that school division but it is not outrageous in Fort Garry school division. In Fort Garry School Division the burden, the proportion being carried by the local ratepayer in terms of his or her share of education financing costs is an extremely current and extremely serious problem and consideration for many many senior citizens and many many property-owners who are in the senior citizen category on fixed incomes and pensions. So while I accept the Member for St. Matthews' admonitions with respect to his constituency, which I don't know very well, I want to assure him that it's not an outrageous criticism in Fort Garry. There are many many senior citizen property-owners in Fort Garry who are very troubled and in fact have banded together in informal lobby groups and organizations to try and make their feelings known on this subject because they feel they're in danger of losing their homes and their properties.

Now, I know that the special levy is something the Minister is going to say to me, well go back and fight with your own school board on that but why are there such wide discrepancies in the amount of the foundation levy?

MR. TURNBULL: Mr. Chairman, I don't know if the Member for Fort Garry plays chess or not, but among other things I do and I must confess that when I hear him make a speech like that, I wonder what the next move is going to be and who is going to make it; whether it's going to be the King, or the Pawn, or the Queen, or there's going to be a flank attack from the Bishop or what really the point is. Because the Member for Fort Garry was asking me why it is that different ratepayers in different municipalities pay a different amount of tax on the foundation levy. Well, Sir, the foundation levy is the equalizing levy across the province of Manitoba. And it is set, this year, on farm and residential at 4.7 mills, right across the province. And if there is any one municipality that's paying more than another municipality it isn't because of a difference in the rate, which is the same, it is because the different municipalities have different levels of assessment. And the higher the assessment the more tax they pay at 4.7 mills. And I know the Member for Fort Garry understands that.

MR. SHERMAN: Mr. Chairman, the Minister is quite right and perhaps my terminology was incorrect. I recognize the reason for the difference in amounts being based on the balanced assessment in each division, as they are. But what troubles me is the discrepancy in the percentages. The percentage contribution from the foundation levy into the foundation program, as I understand it, is supposed to be 20 percent. Now the percentage contribution, to take my own school division, for example, the percentage contribution in Fort Garry is 20.6 percent. That is the percentage of the total revenues supporting the cost of education in that division. 20.6 percent of the foundation contribution comes from the foundation levy. But that percentage varies widely from division to division. I recognize that the mill rate is such and the balanced assessments are such, that the amounts are going to be different everytime. But I ask the Minister, you know, why the discrepancies in the percentage. Why does that percentage range all the way from a percentage in the 20 percent category to percentages as low as 2 and 3 percent in other divisions?

MR. TURNBULL: Mr. Chairman, I didn't quite get the base that the member was using. He gave certain percentages ranging from 2 or 3 percent to 20 percent of what, precisely?

MR. SHERMAN: I based my questions on information contained in the MAST cost study of 1976, Mr. Chairman, which is the latest one they have done. And these are figures taken from the MAST analysis of total revenue by source. And in some divisions, now I don't particularly want to name them

because I bear no grudge against any particular division, but in some divisions the contribution that comes from the foundation levy and goes into the total amount of revenue provided by the foundation program is as low as 2.3 percent. —(Interjection)— No. A rural division. Whereas in some urban divisions, my own them, that contribution is at the 20 percent level. It's 20.6 percent, to be exact. —(Interjection)—

Let me put it to the Minister of Education this way. Let's take the Duck Mountain School Division No. 34, and I repeat, what Duck Mountain gets is fine by me, I hope they get more. But just to illustrate my point the total amount of revenue per pupil available to the Duck Mountain School Division is \$1,498.58. \$1,498 —that's the total revenue per pupil for Duck Mountain. The Foundation Program provides — and this is per pupil — \$982 of that plus some cents. The equalization grants provide \$125 of that plus some cents. The special levy provides \$387 and some cents and the other grants provide \$3.64. Now if you add those all up they come to \$1,498.58. Now if you take the Foundation Program contribution element in that equation it's \$982.15. If you look at the breakdown in terms of the cost to the ratepayer, you've got a foundation levy per pupil shown here for Duck Mountain of \$34.58. So the Foundation Program provided Duck Mountain for each pupil with \$982.15 and only \$34.58 of that came from the foundation levy. If you look at my division, Fort Garry, the comparable figures are the total from the Foundation Program per pupil \$771.48, out of a total revenue per pupil of \$1,698.47, the others coming from the equalization grant, the special levy and the other grants. You are looking at a Foundation Program contribution of \$771.48, and the foundation levy part of that \$771.48 is \$349.65, which is almost 50 percent. What I am wondering is why there is such a great discrepancy when the foundation levy is supposed to provide 20 percent of the Foundation Program funding in total?

MR. TURNBULL: Mr. Chairman, I have an Advisory Committee in Education Finance, which is made up of various representatives from various organizations and perhaps the Member from Fort Garry would like to attend some of their meetings.

I believe I have answered his question. . The answer to his question is that there is a different assessment, balanced assessment per pupil in those two areas. Fort Garry has a very high balanced assessment per pupil, therefore any mill rate imposed on it, especially if it's an equal mill rate as compared to some other place, it will turn out a very high product. In other words, the mill rate times the assessment will turn out a very high product and the product, of course, it's a percent difference in the product that he wants to compare. So if we take Fort Garry, if we take the farm and residential assessment it's \$66 million and 4.1 on that turns in \$272,000.00. If we go down to Duck Mountain and we take their farm and residential, it's not \$66 million, it's \$6 million and if you put 4.1 on that, it comes to \$26,000.00. So that's the explanation.

MR. SHERMAN: I understand those mathematics, Mr. Chairman, but I was always under the impression that the Foundation levy was supposed to add up to 20 percent of the Foundation program contribution but obviously it doesn't.

MR. TURNBULL: Mr. Chairman, in total, it does.

MR. SHERMAN: For the whole province.

MR. TURNBULL: For the whole province it does . . .

MR. SHERMAN: But not for each division.

MR. TURNBULL: But not as between one division and another, no. The objective of it was to equalize across the province not, you know, in the total figures that are provided. The total amounts of money that are provided.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, in listening to the debate and discussion, would from not one conclude listening to the Minister and the debate that has just taken place between the Member for Fort Garry, that surely it seems that the finance determines the quality of education in our province. Is that not correct? Because what we have, we have children probably in poorer divisions, have less money to spend on education. Is this not a fact? And in my opinion, from what I have just been listening to, I think that this is what is happening. So despite the fact that in divisions where there is less assessment and people are already faced with higher taxes to raise that revenue, then I feel that surely it's the finance that determines the quality of education. My concern is and I am also looking at the analysis of the operating revenue, and perhaps the Minister can indicate to me because I asked him the other day if he can indicate through all the grants and with his increased finance program that he read to the House when he started his Estimates about the increase, I forget now \$23 million total, and half of that was only for programs. How would he explain to me — I have as well the study which indicates Mr. Chairman, that in 1971 the provincial grant program, or the revenues that were provided from the Foundation Program were 66 percent, in '73 — 64, and '75 — 47, and were decreasing while the special levy in 1971 was 32 and 197333 and were increasing so, again, I think the Member for Fort Garry had a good point that what's happening is we find children in poorer divisions have less money to spend for education. My question is to the Minister is this the fact, because in those poor divisions already the people are taxed pretty high because the divisions need the revenue, so they assess that

property that much higher in order to extract that revenue even though you are looking at the special levy. That's what's happening so the point is it seems that the finance department is determining the quality of education in many rural areas that haven't got that high assessment area or insufficient money so that's a very important point and I think it's a serious point. I think that this is what the MASS study was indicating, that divisions with low assessment have higher pupil ratios and perhaps lower per pupil expenditures as far as education was concerned. Can the Minister indicate to the House, and can he also indicate with his new finance program, how much will the Foundation Program finance the education system? What percentage?

MR. TURNBULL: Mr. Chairman, the Member for Assiniboia, does get to really the basic question for the 80 percent increase in the equalization grant that this package contains. The two divisions that we were debating in this session of the Committee on Supply were Fort Garry and Duck Mountain. The Member for Assiniboia points out that the quality of education provided in a particular division does depend on the fiscal resources of that division. I would not argue with that. I would say though, I would put in a qualifier, I would qualify it by saying that all the money in the world isn't going to necessarily mean a better quality of education. Like money in so many other endeavours, it can mean a great deal. Indeed, the principle alluded to by the Member for Assiniboia was contained in a letter that I did send to Members of School Divisions, to the Chairman of the Board. I indicated that for many years the provincial government has attempted to bring about greater equality of educational opportunities. As any attempt to realize this goal must develop from a degree of fiscal equity the government has introduced financial measures which have attempted to equalize the fiscal resources available to the various divisions and districts.

Duck Mountain has a low balanced assessment per pupil. If I am correct, I believe it has a balanced assessment per pupil of \$5,000 per pupil and less. That means that under the Grants Program that I have introduced, Duck Mountain will receive a far greater proportion of provincial support than will Fort Garry. Duck Mountain, with its low balanced assessment, will receive \$215 per pupil. Fort Garry, because it has a high balanced assessment, I believe of \$14,000 per pupil and over, receives \$25 per pupil. So that the Member for Assiniboia can see that there is this terrific range in the per pupil grants. We have not only increased the maximum, we have increased the per pupil amounts all the way through, but we've increased the higher end more. By that I mean those divisions that have the lowest of balanced assessment per pupil are going to receive proportionately more of the money under the equalization scheme. That is why the other grants increased from 10 to approximately 18 million or roughly 80 percent this year as compared to last year. Because I do believe in the principle that has been enunciated here, that fiscal equity does underlie the attempt to achieve greater equality of educational opportunity, therefore this system.

I might point out that there are many, many divisions in the province that will because of this scheme and the total package, receive tremendous benefit in terms of the mill rate that their local ratepayers are going to have to pay, because of this scheme, because it's \$215 for those divisions with a low balanced assessment per pupil.

And I think also, of course, that the whole package taken together does provide for a substantial amount of money to be put into all divisions, not just the ones with the low balanced assessment, that attempts to adjust the balance in assessment. The other schemes of course, like the per pupil grant at \$125, that goes to all divisions on a flat basis.

MR. PATRICK: Thank you, Mr. Chairman. I agree with what the Minister is trying to do and in fact I would say it's a step in the right direction because what he is trying to do is have better equalization for education where there is unequal tax base in the province and I believe some equality should be achieved. What he has indicated in his letter, in his statement to the House, I think that he is trying to do that where there is a better degree of equalization between divisions and I accept that. I think it's good.

My point is, to the Minister, can he indicate to the House the Foundation Program now in some divisions may be paying more than 80 percent, or less, or can he indicate to the House what percentage of the education cost is paid through the Foundation Program or Foundation Grants? What percentage, is it 80 percent? —(Interjection)— That's right, and in some divisions maybe it's higher than 80 with the ones that have a very low assessment base, which I agree, I think it's taking the right course of action. What he told us, a better degree of equalization between different divisions, and that's fine, but can he indicate to the House what is the percentage that the Foundation Grants pay for education?

MR. CHAIRMAN: I wonder, before the Honourable Minister answers, if I could draw the attention of the Honourable Members to the gallery where we have eight members of the 49th Scout Troop under the direction of Mr. Bob Harris and Mrs. Bartlett. This scout troop is located in the constituency of the Honourable Member for Charleswood. On behalf of the Members of the Chamber I bid you welcome.

MR. TURNBULL: Mr. Chairman, the Foundation Levy is struck after the whole process has been determined . . . It's sort of the last item that the department determines in order to, how shall I say,

balance off what is entailed. There was a press announcement about it a while ago which the member may have picked up.

It is a levy that applies across the whole province and my staff tell me that if they wanted to get an answer to your question they would have to go back and calculate what it is for each division. That information can be provided, but could I ask for a couple of months to get it because they are in the middle of budget, reviews of divisions and preparations and what not and I don't think it means a great deal in terms of what we are debating. It would be an interesting figure to obtain.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, like the Member for Assiniboia, I certainly endorse the change in the schedule of equalization grants, the increases in the equalization grants. . . —(Interjection)— No, the efforts that are being made through equalization grants to eliminate some of these disparities. I don't think the Minister has any reason to wonder about that whatever. But I still say that there are some awfully wide discrepancies in looking at some school divisions vis-a-vis the amount that is paid by local taxpayers through the Foundation Levy, compared to other school divisions. And one doesn't even have to go to as wide an extreme as the two that I mentioned, Fort Garry and Duck Mountain, but I selected them because they are probably at almost the opposite ends of the scale. —(Interjection)— But even looking at the comparisons for some other school divisions that have a higher assessment, a higher total composite assessment for example than Fort Garry does, there still seems to me to be an inordinate portion of the Foundation Program in certain divisions and I mention mine as one of them, that is borne by the local ratepayer through the Foundation Levy.

In Fort Garry school division, it's not far off 50 percent. The Foundation Program in Fort Garry School Division depends almost to the extent of 50 percent on the Foundation Levy, which gets back to the original point that I was making, not only in this debate but in debate on the private member's resolution that we were discussing earlier today, that there still is a very onerous and burdensome load being borne by local property owners, local ratepayers where education financing is concerned. Because it isn't simply the special levy, and in fact in some divisions like my own we've got the Greater Winnipeg Equalization Levy on top of that. It's not just the special levy or the Greater Winnipeg Equalization Levy, but we've got an extremely heavy Foundation Levy. With all the efforts that the Minister is making to equalize opportunities for education through his Equalization Grants, I would suggest that there is some attention now overdue to equalizing the kind of burden being borne by local taxpayers in specific local divisions.

One of the big problems is this enormous spread in the degree to which certain divisions have to carry the major portion of the Foundation Program through the Foundation Levy. I just put that to the Minister for consideration. Equalization is fine but we could use some equalization for everybody and while we're equalizing educational opportunity there might be some consideration given to an equalization of the load.

As I say, I'm not blaming him for the special levy in my school division but I think a Foundation Levy that amounts to 50 percent of the Foundation Program in a school division is getting pretty extreme and that's what we are looking at in Fort Garry School Division. We are looking at \$349.65 out of a total of \$771.48 per pupil through the Foundation Program, that's almost 50 percent, so where did the 80-20 formula go? The Minister has said in response to others who have spoken in this debate that perhaps the time has come for a general review of the whole system of financing education in this province, perhaps a total restructuring is overdue and I'm encouraged by the fact that he thinks that that's perhaps even worth some consideration. I think it's worth a good deal of consideration when you look at that kind of individual burden on individual ratepayers in specific divisions, whether the division is relatively wealthy or not. There are other wealthy divisions which I won't mention but are in the Greater Winnipeg area whose share of the foundation program in their division paid for through the foundation levy is not as high as the share being borne by taxpayers in Fort Garry.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, aside from the problems that have been mentioned by the Honourable Member for Fort Garry with respect to the discrepancy that exists between school divisions, there is also a problem that exists right within a particular school division as to the equality of those who are asked to pay the special levies on education grants. I do not quarrel with the Minister's attempt to equalize educational opportunity across this province. I think that is a principle that was accepted by the Roblin administration when they first brought in the school program. But what is happening in areas, particularly those in proximity to the City of Winnipeg, is another problem that I would hope that the Minister would pay some attention to, where there is a great discrepancy between classes of people who contribute to the costs of education in areas, and that does include the school division of Morris-MacDonald which is just outside the City of Winnipeg. You have a situation where many people in the City of Winnipeg who have employment in the City of Winnipeg and are earning fairly substantial salaries - some of them range anywhere from \$30,000 to \$50,000 - who have decided that their lifestyle would be better achieved by moving to a rural area and in many cases these people have moved out, built homes in the municipalities surrounding the City of

Winnipeg. In many instances these people are paying taxes. Perhaps the total tax bill on those homes is around, let's use an arbitrary figure of \$700, approximately 50 percent of which is education tax. If their rebate program amounts to \$200, which it does, that means that these people are paying a total of \$150 in their contribution to education in that particular school division.

A farmer living in that same area who may not earn any income at all, and that would be quite conceivable this year if the drought conditions do materialize, the drought conditions that are now predicted and which seem to be apparent at least up to this point, you would find a situation where most of the farmers in that particular school division would be paying, depending on the size of their farms, upwards of \$1,800 in school taxes alone without any income at all.

I draw to the Minister's attention the inequality of that kind of a situation, and if the government is sincere, and I hope they are, about their intention to tax on the basis of the ability to pay, then surely there must be some effort made to remove that burden of taxation on education from people who may in certain years, but certainly not every year, have that ability to pay. And it could conceivably be that this year, if the present weather forecasts are carried through, it could well be that many of those people will be unable to pay any tax whatsoever. And I wonder if the Minister has given any consideration to equalizing that kind of tax between those who live in those areas who do have the ability to pay by virtue of the salaries that they're earning and those salaries are quite definite, as opposed to farmers whose salaries are very indefinite and could be nil this year.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. TURNBULL: Mr. Chairman, I have absolutely no desire to try to be an instant expert on these matters. I have worked long and hard and the staff in front of me have worked long and hard on a grant proposal for school finance which I hope will do certain things and if there are problems with it, I will bear the flack for that.

The problem mentioned by the Member for Morris, though, is one that I have had representations about from farmers and I think actually farmers from his area, I believe. And yes, I am going to have people in my department, but likely more appropriately people in other sections of the government, look at this particular problem. I think there has got to be some way of dealing with it. It does seem to me to be somewhat . . . well, it is inequitable in terms of income earned and tax paid. The only saving feature, of course, is that the income of the farmer, as the Member for Morris well knows, is an income on which the farmer can use his various taxes as a deductible item and that holds as long as there is farm income. If there is no farm income as the Member for Morris is postulating, then we have a serious problem and I will be discussing this with my colleagues in Municipal Affairs and in Finance and of course with the Premier because I recognize it as a very potential and serious problem. I regret frankly that I was not able to come up with some method of dealing with it in here but I have to say to the Member for Morris that I don't pretend to be an instant expert and I have only been in the Ministry for five months.

MR. CHAIRMAN: Resolution 58 — pass? The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, I have some questions which will require some statistical answers. It has to do with the Frontier School Division. I notice that the assistants the Minister has there in front of him has been having a rather quiet time for an hour or two so I think the kind of questions that I would like to put on the record here now to get some information from the department will necessitate some activity there. I notice that in the Frontier School Division Report which begins on page 40 that the total enrolment from kindergarten to grade 12 in the year 1975-1976 was 5,360. I wonder perhaps if we could have some comparative figures for this current 1976-1977 year just to see how the level of enrolment is being maintained or otherwise. When the Minister gave us the breakdown of the financial support line here in school grants and so forth, I think he mentioned that the appropriation for 1977 for Frontier schools was \$5.6 million and that he was requesting an appropriation this year of \$5.2 million.

The teaching staff is shown in his report for this year, 1975-1976 that is, until June 30th, as 307.5. I wonder there again could we have a comparison with the current year. How many teachers are on staff at Frontier schools in this current year and in the preceding year, 1974-1975?

As well, I would be interested in hearing — (Interjection) — Well, I'm sure the Minister has that information available to him. I don't have his report here now and I don't know whether that figure was carried in all of the reports. It may well have been.

Could we also, Mr. Chairman, have the total staff of Frontier School Division other than teachers, those that work in schools and those that work perhaps outside of the schools in the school division, that is, in the Department of Education itself?

I presume the costs of operating the division relate fairly closely to the appropriations. Does the Minister yet have an estimate of the 1976-1977 total costs for Frontier School Division?

And down on page 40 under Major Activities, it mentions some planning grants. Could he tell the Committee how much money was appropriated for planning grants in that area? And there are some additional programs listed under Major Activities in his report that apparently have been extended to other areas of that Frontier School Division. Perhaps he could indicate to us in his response which

programs these are that are listed here that have been extended and to what additional areas in the school division have these programs been extended.

MR. TURNBULL: Mr. Chairman, the Member for Brandon West sure has a penchant for detailed questions. We will dig those figures up for him. In September of 1976, there were 5,668 students enrolled as compared to 5,360 the year before. That is the first figure we can give you. I don't have the other data in front of me right now so I will have to have staff compile it. He can go on or I can stand here and give it to you as they provide me the figures. The staff is down from the 307 figure that is in the book to a figure of 299 ½. Don't ask me about the half, I can't explain it 299 ½, that's a half-time person of course, and that excludes principals. The Member for Brandon West also wanted all the other staff employed by Frontier division, that means the janitors and the principals and you too. Okay, superintendents and assistant superintendents - we have five. Directors, supervisors and department heads - twelve. Professional and technical personnel - seventeen. Principals - 32. Teachers, as I just said - 299 ½. Teaching assistants - 40. Clerical and secretarial - 37. Others - 117, for a total of 559 ½. Are there any other questions that you had outstanding there?

MR. MCGILL: Mr. Chairman, I had requested a figure which I presume will be an estimated figure for the total costs for the division for 1976-1977, if that's available, and for 1975-1976. That would give us a comparison between the two years. I also asked the Minister about planning grants that were mentioned in the annual report and requested that he indicate just how much money was involved in the grants that were provided in that under Major Activities. Another question that was put to the Minister was the one relating to the extension of certain major activity programs that had been undertaken in the past year and was recorded in the annual report. Can he indicate which programs were extended and to what new areas of the division were they extended?

MR. TURNBULL: Mr. Chairman, the 1976 budget figure and I hope this tallies with what the Member for Brandon West's research assistants or whoever it is he gets his information from told him - is \$13,288,063. A comparable figure for 1977 is \$14,212,720. The 1977 budget increase over 1976 budget comparable budgets I am talking about - is \$924,657 or 6.9 percent.

MR. CHAIRMAN: Resolution 50(a). The Honourable Member for Brandon West.

MR. MCGILL: Yes, I asked about planning grants under Major Activities. Could he indicate how much money was provided for that and also the programs listed under Major Activities that have been extended?

MR. TURNBULL: The planning grants, as I understand it, are local involvement planning grants, I think that is what the Member for Brandon West is alluding to.

MR. MCGILL: Mr. Chairman, the planning grants are described here as being made available to Frontier School Division communities for the purpose of investigating alternative forms of educational organization.

MR. MCGILL: How much was that?

MR. TURNBULL: This is a ballpark figure. It's about \$34,000 for that function, \$34,000 provided to these local communities.

MR. MCGILL: Is the Minister in a position now to comment on the Major Activities that were extended during the year-end referred to in his report? Some programs were extended and to additional areas of the division. Mr. Chairman, I don't think the report is specific about the programs. That's why I am asking the question: which major programs were extended and in what areas? If I were able to tell the Minister which programs they were, I wouldn't have had to ask the question.

MR. TURNBULL: Yes, Mr. Chairman, the Member for Brandon West is working from the report of the Department of Education in the year 1976 on June 30th, that's when it's closed off and he's reading from page 40 about community involvement. I am told that of the major activities, No. 1, Community Involvement that that is a continuing program in terms of community involvement and it continues without any major expansion of it. And then the other second program mentioned on page 41 of the same report is Curriculum Development and Enrichment. And I'm told there are a great number of things going on there. That can be inferred from the list of items that are set out in last year's annual report. In the Curriculum Development and Enrichment major activity as outlined on page 41, this area of Frontier School Division is beginning to stress and will be stressing with this year's budget that we're now approving, I hope, Vocational Education, Outdoor Education, and Health Education. Those are the three. As these develop the people in these communities will know about them and if appropriate I will be making whatever announcements that are necessary but those are the three areas that are expanded from Curriculum Development and Enrichment.

MR. MCGILL: Mr. Chairman, I wonder could the Minister tell the committee how many graduate teachers from the PENT Program will there be this year in the Frontier School Division, that's the program Program for the Education of Native Teachers. How many graduates?

MR. TURNBULL: Mr. Chairman, may I ask the Member to clarify. Does he mean new graduates of PENT or total number of graduates of PENT over the existence of the program? What is it he is talking about?

MR. MCGILL: Well, I meant graduates from the program this year? How many is expected to come out of the program this year? Graduates?

MR. TURNBULL: Mr. Chairman, the number of graduates from PENT we don't know. That's the Department of Continuing Education and Manpower. It's another department; another set of estimates so I can't answer the question.

MR. MCGILL: Mr. Chairman, in the Frontier Division there are a number of students who come from Reserves and remote areas where there are no high schools and I believe they are usually sent to high schools in four or five different areas of the province. I think there are some sent to Dauphin, perhaps some come to Winnipeg, some to Teulon and Selkirk and The Pas. And there may be other places but those are ones that I've heard. I wonder how many of the total students from these remote areas that are sent to high schools in these locations would go to each of these schools. I think there may be something like 148 students involved in this kind of transfer. Can the Minister indicate how many of them are at each of the places?

MR. TURNBULL: Mr. Chairman, in response to the Member for Brandon West, I know he realizes it is a very detailed question. It isn't the kind of thing that I anticipate being asked and I didn't ask the staff to prepare it exactly. They can calculate it though; if you give us a few minutes they'll work it out.

MR. MCGILL: Yes, while that information is being obtained what I would like to ask is a supplementary question. What kind of a retention rate to you have on these pupils that are going to — (Interjection) — Yes. And what sort of general progress is being made where students are transferred from their homes to high schools in other locations.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. JAMES H. BILTON: Mr. Chairman, I'm on the border of parallel 53 which takes in a little of the Frontier School Division and the Minister mentioned a moment ago, Outdoor Education, and that sort of alerted me. You said that part of this grant goes toward Outdoor Education — (Interjection) — In the summer? That's even better. That's even better. Because if I've got to go into any more Indian cabins and hear some of your students on your Outdoor Education with a final comment that the NDP are doing this for you and doing that for you on this program, I want no part of it.

MR. TURNBULL: Mr. Chairman, the details that the Member for Brandon West wanted, I'm told he relates to the Home Placement Program, that is children coming out of Frontier School Division that have been placed in schools outside of that division and consequently in homes in those urban areas outside of Frontier.

One of those urban areas is Dauphin and I'm told there are 39 students placed there. 88 students are placed in Winnipeg. Other areas through the province outside of Frontier, there were 24 students placed. The retention rate, I'm advised, — 40 students that I've just enumerated — runs around 79 percent.

MR. CHAIRMAN: Resolution 50(a) The Honourable Member for Brandon West.

MR. MCGILL: There is also reference in the report to a Health Program that's being developed in the Frontier School Division. I wonder how that Health Program has progressed this year and what sort of plans have been made. I think, too, that the Frontier School Division has a Nutrition Program. Perhaps the Minister could indicate what the cost of the Nutrition Program is for that whole division.

MR. TURNBULL: Mr. Chairman, the School Nutrition Program cost for this fiscal year for the division will be \$263,000 and the Health Program is \$50,000.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Mr. Chairman, I want to check out with the Minister some figures that he used this afternoon in the announcement with regards to changing the classroom count from . . .

MR. TURNBULL: Mr. Chairman, on a point of order, if I may. I have on my right here, the official trustee of the Frontier School Division. If we are going to now revert to a general discussion on grants it would be convenient for him and the staff if we could let him go upstairs and call down the other person from the Finance branch but I would only want to do that if we're finished with Frontier School Division.

MR. CRAIK: I'm not sure we're finished but the questions I want to ask the Minister, I'm sure are at his fingertips anyway, he shouldn't require any staff, I wouldn't think, to answer them. If he has trouble with this, we're going to make an appeal to bring back his predecessor in this position, the Member for Burrows, who incidentally, Mr. Chairman, when the Minister was talking about Kings and Queens and Pawns in the chess game, I was beginning to think that the former member for Burrows was beginning to look more like a king in his job everyday.

Mr. Chairman, the Minister I think would be able to tell me when you boil down the announcement with regards to changing the classroom count from 28 to 23 in the elementary grades, the 28 count applied to everything up to Grade 9, the first eight grades, Kindergarten to the end of eight, was the 28 and 23 was 9, 10, 11 and 12. Well, Mr. Chairman, approximately, so at least 70 percent of the teachers in the public school system then, maybe closer to 75, would be in those grades, and secondary, the high school section would probably represent, probably at the most 30 percent and perhaps 25 percent of the total teacher count. Well, that being the case, if there is an increase of 280 teachers as a

result of the new grants and there are approximately 10,280 in total, in the province, it represents an increase of approximately 2.7 percent in the number, in terms of total number of teachers, in the province. If all of these were in the grades 0 to 8 — kindergarten to 8 — it would mean that the increase. . . if all of the new provisions for teachers, 280, were put into those grades you could have an increase as high as 4 percent in the number of teachers. In other words if it all went into the elementary grades, 4 percent of the present classroom count of 28 would mean that the average elementary class, if it was at 28, would be a reduction in the number of students per classroom of 1 student per classroom. 1.12 rounding it out, it works out to 1.12 on average. Well, Mr. Chairman, if that's the case there are two things come out of it: one is, first of all, that the classroom count is not significantly affected by the announcement that the government has made. In other words the first impression was that the classroom count would be reduced from 28 to 23 but in actual fact it would appear that at most it would change the total number of elementary school teachers in the province by 4 percent which applied to an average class of 28 means that you're reducing the classroom count to perhaps 27 rather than 28. Question number one, Mr. Chairman.

The second question, which I'm sure again that the Minister has probably rolled around in his mind if that is the case which is what he said this afternoon in terms of the total number of new teachers that will be provided for under the new grant system, this would mean that if in fact the government's intention is to give reality to the target of 23 students per teacher that there'll have to be some teachers taken out of secondary. In other words, if the government is saying that there shall be equal numbers of students regardless of whether it's elementary or high school, it would mean that there isn't enough provision here to do it through the additional teachers that are going to be provided through his grants and the only way that you'll get a similar count, whether it's elementary or secondary school, will be to increase the classroom count in the high schools. .

Now Mr. Chairman, I'm sure that the Minister, before making his announcement, must have run through this fairly rudimentary school boy arithmetic and found out that when it all boiled out there isn't that much change in the classroom count unless in fact you're going to increase the classroom count in the high school level.

MR. TURNBULL: Mr. Chairman, when it all boils down to the final analysis it is what it says in the letter and in the press release, "over 280 additional teacher authorizations", that is all it is. It was never made out to be more than that. And the Member for Riel wants to go through arithmetic of a manner that he called it, that's fine. If he wants to be a school trustee and determine class size, that is his prerogative but I'm not going to act as a school trustee. The determination of class size is a function of the elected trustees of the division. I think that is a responsibility they can exercise. The department has indicated direction we would like to see elementary education go in in this province and that is all there is to it. I did mention earlier that if we had reduced one in 28 to one in 23 and provided completely additional amounts of money for that size of reduction we just wouldn't have had the teachers. It would have been in the neighbourhood of 1,200 to 1,400 new teacher authorizations and divisions would have had no way that they could have hired that many new teachers so one was faced with the choice. You go one in 28 to one in 27 and I know what the argument of the Member for Riel would have been if I had done that or make some more significant change recognizing equity as I've explained it in the House and make some other alterations. I took the second course and the second course results in 280 additional teacher authorizations, pure and simple.

MR. CRAIK: Mr. Chairman, the number of new authorizations is not a question. We accept the Minister's word at 280 new authorizations. The only point is that with 280 out of a total teacher authorization of 10,280 that the impact is about 2.7 percent and 2.7 percent change in teachers affects your classroom size also on average by about 2.7 percent. But give it a little leeway, give you the benefit of the doubt, make it 4 percent. Four percent of a classroom size of 28 makes a difference of 1 student. Now, if you are saying that you want the classroom size, elementary and secondary, to be identical as far as a goal as government direction is concerned, that's one thing. But if you're saying that that is going to be brought about and give you 1 in 23 in both the high school and in the elementary, it can't do it. The numbers aren't there. In order to integrate 280 new positions into the total provincial teaching staff you can effect the ratio by only one student per classroom. Therefore, what's going to happen is that if reality comes to bear and there is equal numbers of students in elementary per teacher as there is in the secondary, in the high school, there's going to be 27 in each one if there were 28 before. It's going to reduce whatever it was before by one. There's no way that you can reduce, if it was 28, that you're going to reduce it by six because 75 percent of your school population is in that 28 per room bracket. It can't be done.

Mr. Chairman, then the only logical conclusion can be that for the Minister to state that they were now going to be both one in 23, it just cannot be. And I think that the statement that the Minister has put out is not correct.

MR. CHAIRMAN: Resolution 50(a)—pass. The Honourable Member for Fort Garry.

MR. SHERMAN: Go ahead, I've got to check something here.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, I put a question to the Minister a little while ago and I haven't had an answer, about outdoor education and is it the intention for the department to put students on the road as they have done in the past during the summer months, amongst the Indian and native people in the Frontier school divisions and particularly that part that I represent? Because what I find, Mr. Minister, is that they are telling these people of human rights — there's nothing wrong with that — and they're talking about the Ombudsman and they're talking about the Rentalsman and they are talking about several rights that they are entitled to. But I believe, Mr. Minister, that that's my job. They elected me to this Legislature to represent them and I don't want students that are not dry behind the ears going around and confusing these people on these various subjects in the interests of this party, and I'm asking the Minister if there are funds in this item for the purpose of those students going around there this summer with the same things that I am bringing up? Because these people are being lectured to death by several departments of the government, not only your own and the sooner it stops the better. —(Interjection)— What are they told? Do I have to tell you?

Mr. Minister, I'm wanting from you, are these students going to be going around this summer talking to these people in their little cabins and tents and everything else as to what this NDP government are doing for them as a people? —(Interjections)— I have represented them for 15 years and I haven't let them down yet and I don't need students going around telling them what this government is going to do for them because they don't do it anyway.

MR. TURNBULL: Mr. Chairman, I am not familiar with the program that the Member for Swan River is talking about. There is a Wilderness Centre Program. The Wilderness Centre Program is funded via what is now called, "Continuing Education in Manpower." Its funds run until June 1977. This Frontier Collegiate which is operated under the auspices of the Department of Education provides facilities only, that is space only, for the Wilderness Centre Program. Other than that, we don't have a program other than the Summer Experience Program which is funded in the same way, that is from what is now Continuing Education in Manpower.

So there is no such program here in my budget and that is why I have to tell the Member for Swan River that I am not familiar with these programs because I have not reviewed them. They are not in my budget.

MR. BILTON: I take it from the Minister's remarks, which I appreciate, that there is nothing in his budget for the program that I have endeavoured to outline, whatsoever, for this coming season or for this coming year. Am I to understand that?

MR. TURNBULL: Not in the Frontier School Divisions Division budget, no.

MR. CHAIRMAN: Resolution 50(a). The Honourable Member for Fort Garry.

MR. SHERMAN: I was just going to comment, Mr. Chairman, with respect to a question that the Honourable Member for Assiniboia raised and the exchange between him and the Minister, that I'm not sure what the 1977 figures will be, but the 1976 figures apparently show that in terms of the total funding for education, not counting the Homeowners —(Interjection)— the whole program, yeah, not counting the Homeowners Property Tax Rebate, that in the provincial composite for revenues for education, funding for education, the Foundation Program is only shown as supplying 52.4 percent of the total funding of education in the province in 1976.

The Foundation Program, 52.4 percent; Equalization Grants, 2.9 percent; Special Levy, 43.6 percent, and Other, 1.1 percent.

So the Foundation Program in 1976, according to the MAST Study and I told the Minister earlier I was basing my comments on that study, the Foundation Program including the Foundation Levy, that is, the whole Foundation Program, supplied 52.4 percent of the cost of education in the province. —(Interjection)—

So, Mr. Chairman, I just reiterate the point that it leaves a wide area to be picked up by the local taxpayer, the local ratepayer. —(Interjection)— It leaves a wide area to be picked up by the local taxpayer and I think that's where the problem lies at the present time, that's why it is not outrageous and it is justifiable to suggest that many senior citizen homeowners, property owners, are in very severe straits in terms of maintaining their properties and maintaining their homes and retaining them in the face of rising property taxes, many of which can be attributed directly to school taxes.

MR. TURNBULL: Mr. Chairman, I want the Member for Fort Garry to be very clear about what it is that he is talking about. When he says that the provincial share, excluding the Property Tax Credit Plan is in the neighbourhood that he gave there in terms of percentage, I think that he has to recognize that you can't simply exclude the Property Tax Credit Plan. It's \$87.5 million and that is a lot of dough. That's the first thing and that does put your percentage up.

If you take, however, the Foundation Program, the Foundation Program made up of provincial contributions and the contributions from the Foundation Levy, then the division is 80 percent province, 20 percent on the levy.

MR. CHAIRMAN: Resolution 50(a)—pass; (b) School Tax Rebate, \$5,000—pass; (c) Mis-

cellaneous Grants, \$112,600—pass; (d) Assistance to Schools in Remote Settlements—pass; (e) Teachers Retirement Allowance Fund, \$9,517,000—pass; (f) Evaluation, Research and Policy Analysis, \$85,000—pass. The Member for Brandon West.

MR. MCGILL: Thank you, Mr. Chairman. I believe this question has been asked before, the matter of the Evaluation, Research and Policy Analysis funding under this item as separate from Resolution No. 49. This has to do with that part of the research that is being done in the school divisions, is that why the grant is separated?

MR. TURNBULL: I didn't hear that as if that was a question, Mr. Chairman, I was nodding my head in agreement, yes, the member is right. This is the grants portion of the Evaluation, Research and Policy Analysis section. He is correct in that and questions that he has about the funding of some of these programs in terms of the grants that the department provides are now appropriately asked on this appropriation we are now on, which is Resolution 50(3)(f).

MR. CHAIRMAN: Resolution 50(f)—pass. Resolution 50(g), Child Development and Support Services—pass. Resolution 50 — Resolved that there be granted to Her Majesty a sum not exceeding \$180,207,300 for Education—pass.

I now refer Honourable Members back to Resolution 48(a), Minister's Compensation — Salary and Representation Allowance.

MR. TURNBULL: Mr. Chairman, I would like a point of order clarified. On the Minister's Compensation, am I to return to my normal chair in the Legislature and the staff leave the floor of the House, is that the procedure? —(Interjection) Right, thank you.

MR. CHAIRMAN: Resolution 48(a). The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, there were a few questions that remained after our earlier initial discussions relating to appropriation number 48 under the General Administration. One question which I think would be of interest to the committee relates to the status of the, I believe the former Assistant Deputy Minister in the department, Mr. James Campbell. I wonder if the Minister could indicate to the committee just what the status is of Mr. Campbell at the present time in respect to the Department of Education.

MR. TURNBULL: Mr. Chairman, now being on the Minister's salary, we can discuss everything and I certainly do look forward to a wide-ranging debate with the Member for Brandon West. The Assistant, I think it was Assistant Deputy Minister by the name of Jim Campbell is on leave of absence serving with CEDA in Africa, that is what he is doing.

MR. MCGILL: Mr. Chairman, is it not a fact that departmental officials received a notice in June of last year indicating that he had been relieved of all duties in the Department of Education?

MR. TURNBULL: Mr. Chairman, that was before my tenure as Minister.

MR. MCGILL: The report that we have been considering carries up until the end of June and it is presented by the present Minister of Education whose picture appears on Page 2, a very striking picture of a new Minister of Education who now tells us that he really wasn't in charge of the department at this time. But surely he can tell the committee whether or not the former Assistant Deputy Minister was relieved of all duties at that time.

MR. TURNBULL: Mr. Chairman, it's always been my position that the Minister runs the department and when I became Minister of Education I wanted to use every available human resource in that department to their maximum and I think that while I'm on this matter of personnel, I should say that in relationship to Mr. Campbell, I had what I regarded as a cordial and productive relationship with him. He developed a number of conceptual papers for me with regard to education finance and he continued to serve while I was Minister on the Advisory Committee on Education Finance. He has taken leave and he has gone to serve with CEDA, as I say, in Africa.

It was my position, with other senior staff that I met, that I expected all of them to be as productive as they possibly could. I pointed out to them that my style of operation was to get resolution of problems as quickly as possible and that meant going directly to whoever was in the field carrying out whatever responsibilities are necessary and that as information came back to me, it could go through the normal channels on the way back up.

I think frankly that I have enjoyed when Mr. Campbell was here, productivity from him, I certainly have no reason to expect otherwise.

MR. MCGILL: Is it correct then, Mr. Chairman, to understand that the department entered into the agreement with CEDA in respect to Mr. Campbell's services, and is it correct for us to assume that he will continue under full salary rights in the Department of Education relating to pension and so forth?

MR. TURNBULL: Mr. Chairman, it is correct to say that the department has entered into an arrangement with CEDA, I believe, if memory serves, that that is the arrangement, it's a normal arrangement. A similar arrangement I think was made with Mr. Hutton one time and other arrangements have been made with other civil servants within the provincial civil service. I happen to regard it, by the way, the practice as a very useful practice. I think it is useful for public administrators to go to other areas to serve in governments there. We have a number here who served in Africa and other parts of the world, a most fruitful kind of experience and exchange.

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The other point that the Member for Brandon West alluded to is about a full salary, et cetera, et cetera. I believe, and this will be checked of course, that the policy of the government is, in a case like this, to give to the individual the assurance that on his termination of employment with the other agency, in this case CEDA, there will be a position for him in the provincial civil service at the end of his foreign engagement. That is the practice as I understand it of the government - not necessarily that job, but a position in the provincial civil service.

MR. MCGILL: Well, Mr. Chairman, it is incorrect then, the information which indicated that other officials in the department had been notified that he had been relieved of all duties. He never was relieved of his duties in the Department of Education; he simply was transferred to other duties and then to CEDA.

MR. TURNBULL: Mr. Chairman, I did not say quite that. What I said was that when I became Minister, I expected to work with every person holding down a job in that department and I did. I believe I have, from the psychologist employed in Stonewall to the ex-field inspectors now working in Thompson, to Mr. Decosse in Brandon, and I made no exception with Mr. Campbell. Indeed I assigned him specific functions which were in relationship to the development of the grants package for this year.

MR. MCGILL: Well, Mr. Chairman, I think it's rather interesting that there would be senior officials of the Department of Education transferred to overseas positions. I am just wondering if the Minister of Education has any similar plans in store for any Deputy Ministers or Assistant Deputy Ministers of Education that are presently on his staff.

MR. TURNBULL: Mr. Chairman, as I indicated, I think that with regard to people like the late Mr. George Hutton and others, that service abroad is a most useful activity for senior civil servants. It gives them a change of venue. In this particular case, Mr. Chairman, my recollection is that Mr. Campbell sought the employment with CEDA, he sought it and he was successful in obtaining the position.

MR. CHAIRMAN: Resolution 48 (a). The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, on a slightly different matter. The Minister in his earlier initial presentations in the Estimates expressed some concern about the problem of attendance in the schools and his concern was not by any means unique. There are many people in the school system who have a similar concern for the problem which is becoming perhaps a greater one than it has been formerly. As the Minister will remember no doubt, it was under a former Minister of Education, now the Minister of Finance, that this Attendance branch of the Department of Education was eliminated. This took place under the present Government of Manitoba and under a former Minister of Education, and it was considered to be a proper move to eliminate the Attendance branch. Maybe this was one of the earlier steps in decentralizing the activities and responsibilities of the Department of Education. But, Mr. Chairman, I would suggest that this has been rather less than a complete success because the problem of school attendance has not diminished, it has in fact, I think we will all admit, increased. And I am wondering, Mr. Chairman, what the present Minister of Education feels are his responsibilities in this matter. Is he planning to take any steps which will give support and additional encouragement to the divisions who are now grappling with this problem? Does the Minister intend to pursue the present policy of having no responsibility in the matter of school attendance through the Department of Education or is he contemplating some return to a system that did provide some assistance to the divisions?

MR. TURNBULL: Mr. Chairman, I did make some remarks, I believe in introducing my Estimates, about the necessity of school attendance. Those remarks are based on my belief that our society's success, its affluence, its civilization is based on the idea of compulsory public school education. And if the members opposite want, I will dig up the quotation from Walter who made exactly the same kind of statement about the importance of compulsory school education for a nation's achievement and success. So I do intend to do everything that is possible within the ability that I have, and the time that I have, and the energy that I have, to try to ensure that divisions carry out their responsibility provided by statute because The School Attendance Act, I think it is, sets out the responsibility for attendance to be that of the divisions. There are provisions in the appropriate statute for divisions to hire attendance officers. These officers are in some divisions hired specifically for the purpose of attendance.

I recently had my department survey various divisions to see what attendance officers were in fact being employed. And they produced a list of people who were either operating on a full-time, paid-salary basis or a part-time, paid-salary basis or on a basis of completing this function of requiring school attendance with other functions that they had within the division. I believe that it is a matter that should be pursued and I have certain ideas which I intend to take up with school divisions to try to ensure that attendance at school improves. But of course ultimately, as the Member for Brandon West well knows, attendance in school depends to a great extent on the support that the home provides to that child, and the support that the home provides for the school. That is why I have tried through the programs that I have introduced to lessen the gap between the parents in the home and

the school. That is why I have introduced \$180,000 for payment of small grants to parent councils so that the parents can be involved in the schools and the problems of the schools in a positive and constructive way, and can understand what is going on down there because I think that that is the point that we shouldn't forget if we are talking about school attendance. That school has got to be relevant to the child, the parents have got to support the school and they will do so, I hope, to a greater degree if the parent council grants that I am making available to parents, through school divisions, have the success that I hope they will have. That is one idea and there are others that I will be pursuing with the division. To the extent that school attendance is a problem, I hope that the department and the divisions can work out satisfactory solutions.

MR. MCGILL: I am encouraged by the Minister's responses, Mr. Chairman Chairman, the fact that under the present arrangements the department has no direct responsibilities. Nevertheless, I take it from the Minister's reply that simply delegating that authority to the divisions is not a complete abrogation of any kind of responsibility by his department for ensuring that The Attendance Act and the enforcement of the attendance requirements in the schools is pursued in a proper manner.

Mr. Chairman, there are a number of perhaps slightly unrelated questions that we have left until this period in the Estimates, that is the consideration of the Minister's salary. And one takes us back to some considerable debate of last year and I think even into the year before, relating to student-initiated programs. The Minister will perhaps plead that he was not the Minister of Education at this time, but I am sure he is familiar with some of the very extensive and pretty costly promotional work that was undertaken during the years 1973 and 1974 and 1975 to set up these student-initiated projects as credit courses in the school system.

I think, Mr. Chairman, these courses and the work that was undertaken and the costs that were incurred were fairly substantial because they involved printing and distribution of quite extensive and expensive brochures, and there was a lot of man-hours of work went into the creation of these brochures and into the promotion of the student-initiated projects by his Department of Education staff. There seems to have been a diminishing and much lessening of the emphasis on these projects and I am wondering how many of them were actually completed in the year 1975-76. How many of these student-initiated projects were completed in the last year, that is, from 1975 to 1976? And it would be interesting also to know how many are ongoing or being engaged in in this year. This is the whole question of student-initiated projects. How many were completed in the last year and how many are still being engaged in in the school system this year?

MR. TURNBULL: Mr. Chairman, I wanted to return first of all, before dealing with school initiative projects, to this question of attendance. The Member for Brandon West says that he is encouraged by the earlier remarks that I made. And I think well he should be because school attendance has been a problem ever since we introduced compulsory education in Manitoba in 1916. He must remember and I certainly remember children who were truant when we were in school, present company accepted of course. But he has this idea that there has been a delegation of authority. Well, Sir, as he knows, I am a political scientist and when someone says "delegation of authority," that to me is an administrative matter, something that is done by administrative fiat, it is accomplished by anything but change in the law, change in the statute. And therefore when he says "delegation of authority" although he may not mean what I mean, I want to make it clear to him that this was not something that was done simply by the Minister saying, "Oh, the divisions can have responsibility for attendance." Quite the contrary, Mr. Chairman. The School Attendance Act provides as follows:

School Attendance Officers, Section 9, subsection 1. "The board of every district shall appoint one or more persons to act as school attendance officers for the enforcement of this that's Act." And The Statutes of Manitoba, 1970.

Powers of Officers, Section 9, subsection 2: "The school attendance officers are for the purpose of this Act vested with police powers and may enter theaters, playhouses, places of public entertainment and amusement, factories, workshops, stores, shops, and all other places where children may be employed or congregated and shall perform such services as he or they may deem necessary for the enforcement of this Act."

Probation officers of juvenile court, Section 10 of The School Attendance Act: "Each school attendance officer is, by virtue of his appointment as an attendance officer, a probation officer of the juvenile court if any, having under The Juvenile Delinquents Act of Canada jurisdiction over part or all of the territory comprising school district for which the school attendance officer has been appointed, and he shall perform the duties and possess the powers of the probation officer, but only as to persons required by this Act to attend school regularly."

Mr. Chairman, what I have just read is The School Attendance Act. It is not a mere delegation of authority by the Department of Education. It is the assignment and the creation of legislative authority for the local school divisions by an Act of this Legislature. And if that change was made as indicated in the statutes of 1970, the Member for Brandon West must have participated in the approval of those amendments to The School Attendance Act. So I would like to point out to him that what I am talking about is the law and its enforcement and I certainly intend to follow up to the extent

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possible and necessary with the school divisions just how they are complying with the statutory powers given to them under the sections I have just read out by the Manitoba Legislative Assembly. I have indicated one meaningful way of improving attendance at school, that is, you have the parents involved in a positive and constructive way in the school and to improve communication between the parents, the home and the school. There are other ideas that I mentioned that I will try to develop in time.

The matter of school initiated projects, Sir, was not to any great extent a matter for discussion during my departmental review of my Estimates with my Department, but I will, if the member wants to hold up my Salary on this matter that's fine, I will get him the information. I don't have it immediately before me. He did ask for information about the number of courses completed. Why he wouldn't have asked those questions in last year's Estimates, I don't know, but he has asked them now, I'll get him the information.

MR. CHAIRMAN: Resolution 48(a). The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, I accept the Minister's offer to obtain the information which he doesn't have because of his lack of knowledge of the departmental activities during that particular period. I am sure that that information is obtainable. I think it is of interest to the Committee, certainly to know just how this whole scheme has fared over the period of three or four years and what the present emphasis of the Department will be in relation to its continuance or to a somewhat further reduction of emphasis in this area.

Mr. Chairman, to go back for just a moment to the question of school attendance. The Minister has read to us about the statutory requirements and the responsibilities which the divisions have and he intends to ensure that such regulations are carried out and that this will be the position he will take as Minister of Education. Mr. Chairman, wasn't that really the whole purpose of an Attendance Branch of the Department of Education, which his government eliminated. Wasn't that really what the Attendance Branch was intended to do, to go around and ensure that the divisions did enforce the terms of the Act and to give the Minister assurance or otherwise that the proper activities were being undertaken? So I ask him, is he saying to us now that he will reinstate the School Attendance Branch in his Department in order that he can be informed as to the degree to which the regulations are being observed by the school divisions of Manitoba?

MR. TURNBULL: Mr. Chairman, I have no intention of changing the provisions of the Act, the School Attendance Act that I read out. I believe that most divisions, all divisions, and the Department co-operate on a wide range of issues and this is one that I expect their full co-operation. I see no need to duplicate staff by appointing additional civil servants to recreate a function that is no longer with the Department.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE: Well, Mr. Speaker, I have a few remarks that I would like to place in the record dealing with the Minister's salary, this important item.

The first thing that concerns me in dealing with the Minister's Estimates is the fact that the Deputy Minister has never appeared down at the desk here. We have seen a long list of staff from the Department of Education coming and going as we dealt with the various Estimates of the Department, and we have yet failed to see the Deputy Minister, which is most important — the Minister to stand up and try and tell me and the members of the Legislature in Manitoba that all is well in the Department and they have got a cohesive tight knit unit and everything is working well, and we have failed to see the Deputy Minister.

The other thing that concerns me in reviewing these Estimates, Mr. Chairman, is the former Minister of Education and he has failed to sit in his seat as we went through this long list of Estimates and wondering again if this Cabinet shift of the First Minister, who said that it was a new thrust of this government, a new direction of this government, so he transferred the Department of Education from the Honourable Minister now of Tourism over to the former Minister of Consumer Affairs, and that the Department of Education is functioning well. Everything is cohesive and the Cabinet is tightly knit and that the people of this Province can now see a government that has thrust and the trustees and the students of this province will now get the leadership and the administration they have been waiting for. Well I tell you, Mr. Chairman, and members of the Committee, if the Deputy Minister of Education cannot come down and sit in the Chamber and deal with matters which the Minister has been trying to deal with, then there must be something wrong in the Department. There must be some problem with the Minister and the Deputy Minister. I don't think we have to go very far out of the Chamber or talk to many people in the Department of Education or many civil servants to find out real quick that the Deputy Minister and the Minister of Education are hardly on speaking terms at this date.

Mr. Chairman, the next tragedy is that the former Minister of Education is where, in Ghana. The former Minister of Education is in Ghana, as far away as he can get from this Minister when he is dealing with the Estimates that we are dealing with in the House tonight. And, Mr. Chairman, if you think the people of Manitoba in their wildest imagination can understand that the First Minister has

finally got this government under control, that he has got a Minister of Education now who can deal with the educational problems of this province and the trustees, I suggest, Mr. Chairman, the First Minister better go back to the drawing board again and quit making those wild statements he was making in Thompson the other night and get back to the problem of education that we face in this province. Because it just isn't natural, nor is it fair, for us to deal with Estimates in this Legislature when the Deputy Minister fails to appear and when the former Minister of Education is in Ghana.

Now if the First Minister and this Minister think that everything is well as we go into the election, the Department of Education is running smoothly and everything is A-OK, if that's the government's thrust and that's the way they think the department should function, then fair ball. We say it shouldn't be that way. We think the turmoil has got so bad, the misadministration, the poor management, and this Minister may be worse than the Minister we had before and we are going to go to the people very soon on that issue and we will find out if our judgement is wrong or the First Minister's judgement is wrong.

Now Mr. Chairman, I wonder and I get letters and all the members of this Legislature and the people of this province get letters about the Department of Education. And here is one, a release of January 6th, 1977, a newsletter. It says: "On the Ides of March the government handed out a few bandaids or major grant changes. The foundation program five years overdue for major surgery, a facelift, a nose job, was not changed."

We move down to evaluation, Chairman, . . . (Interjections)— Well, maybe you better let them have their caucus meeting over there.

MR. CHAIRMAN: Order please. The Honourable Member for Roblin.

MR. McKENZIE: "Evaluation" (the newsletter goes on, Mr. Chairman), "well that's a priority for next year. Come to think about it, that was said last year and the year before."

Go on down and others said: "So we negotiated for thirteen months, settled between ten and sixteen, but the teachers still have only got ten."

And it goes on. "The people continued to have babies and so school enrolment continued to go down. The only thing that kept going up was teacher salaries and inflation."

On down: "In September the trustees and administrators were treated to their first edition of a brand new spanking magazine called MAST and then a big bravo was handed to the government when they complied with a trustee's request for highway signs reminding motorists that they must . . ." And the list goes on and on and on.

Then you read the president's comments in this document, Mr. Chairman. The president of MAST, the school trustee's elected people like yourself, says: "Once again education has lost ground. Once again education has lost ground in the yearly battle by the various departments of the provincial government."

And I hope the First Minister is listening to what the people of this province are saying. These are elected people just like ourselves in this province who are trying to deal with his government and with his ministers and trying to give us some direction in the rural parts of the province about education.

It goes on and says: "The government's financial commitment to education has declined yearly. The Foundation Program established in 1967 now has little or no resemblance to the concept promised to the unitary division. Basic equalization opportunity is no longer."

And it goes on: "He has obviously failed to convince his Cabinet colleagues that these changes were necessary."

And down farther, Mr. Chairman, I read: "Trustees are constantly being told that they are not sure of their priorities, that the school system is losing credibility and there must be a return to some form of evaluation."

Then I skip over several other paragraphs: "But trustees are conscious of the uneasiness of the public."

And that's the point I want to raise with the Honourable First Minister. Not only myself, the Member for Roblin, is uneasy, not only the people of the Legislature or the man in the street are uneasy because the Deputy Minister is not in his chair nor the former Minister of Education being in Ghana, about this new Minister of Education who was supposed to pick up all the pieces and give us the direction and the financial responsibility to the taxpayers of this province that we have been looking for for all the years of this government, and it says in this document, Mr. Chairman: "But the trustees are conscious of the uneasiness of the public."

And the next level down from us is the trustees, and the First Minister, I am glad he is listening to this, that the trustees are uneasy. And I ask him in his wildest imagination if he is satisfied now that this Minister can handle that portfolio, that he has got all the trust and the financial resources and the way he is handling the thing, that they are still not uneasy in this province today? I suggest, Mr. Chairman, that they are uneasy. The people are still uneasy even though all these window dressings and things that the Minister has provided to us, it still hasn't solved the problem of the taxpayers, the guy that owns land, the guy that has to pay out of his hip pocket and lives in my constituency for school tax.

And basically this government hasn't come up with it. Sure, there are rebate programs and they have been changing it around and around but it still hasn't got back to the core of: well, the things that were promised when this government took office, they said, we will solve it. And we've been through and we will recycle the money and it's come back, Mr. Chairman, to the stage where the Deputy Minister can't sit down at his desk with his Minister and the former Minister of Education has to go to Ghana when his colleague is placing his Estimates before the House.

Mr. Chairman, I just again read from the MAST report, the president's report. —(Interjection)— I'll pass it over to you, sir. It's the latest issue, the last issue. I'll pass it to the First Minister when I am finished with it. "They should issue a clearer statement on the responsibility for curriculum planning, on the position and duties of the various branches of the department, and do an about-face on the controversial remarks made by the Deputy Minister."

Those are my remarks on the Minister's salary, Mr. Chairman, and after listening to him here for two weeks, my concerns are still there.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, I don't propose to take more than literally two minutes but in response to the honourable member, may I say that it shouldn't surprise him, it doesn't surprise me, that there is uneasiness on the part of those who are involved with decision-making in our day and age. In fact I am not sure that there is anything new about uneasiness on the part of those who have that responsibility. I would refer my honourable friend to Shakespeare and that goes back several centuries, "Uneasy lies the head that wears the crown," which is merely a symbolic way of saying uneasy lies the head of those who have to make decisions. And in the days of monarchy that was a very appropriate way of really stating that there was good reason to be uneasy.

The Honourable Member for Roblin is not to be faulted for raising the general question of uneasiness because I tell him quite frankly that all of us, both at the divisional level as trustees and those involved in public school finance, most certainly the Minister and other of his colleagues, are uneasy about what seems to the naked eye to be a very drastic increase in the level of expenditures for public school education. But that is just the point, Mr. Chairman. We live in a very dynamic world and the level of expenditure has increased, I admit, dramatically if not drastically, but changing with it has been gross national product, gross provincial product, per capita income, etc. So it's the sheer quantum of the dynamics of change that are nevertheless, I agree, a matter of some uneasiness and that is why there must always be perpetual concern.

There will never be a day, I suggest to my honourable friend from Roblin, when there will be an absence of uneasiness about these things. There will always be degrees of uneasiness. And with respect to his second question as to whether I have confidence that the Minister is husbanding and stewarding the affairs of the department, my answer in one second is I have complete confidence.

MR. CHAIRMAN, D. James Walding (St. Vital): The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, as the acting House Leader it appears to me as though we may not resolve the Estimates of the Department of Education this evening. It is now 10:10 and I would suggest, Mr. Chairman, in order to give all members of the Committee a chance to reflect on the proceedings that have occurred to this date, that the Committee rise and report.

ESTIMATES — AGRICULTURE

MR. CHAIRMAN: Order please. The Committee will come to order. We have a quorum. I direct the attention of honourable members to page 7 in their Estimates Books, Resolution 14, Marketing, (b) Manitoba Marketing Board. The Honourable Member for Pembina.

MR. HENDERSON: Well, Mr. Chairman, just when we left off I don't know exactly where we were except I knew I was concerned about somebody who had tried to sell their property which was a dairy farm and a half section and he couldn't sell the half section because whoever was buying it didn't know of any way they could be sure of getting the quota. I was just wondering if there wasn't some way that could be devised that this sort of thing couldn't keep happening because many farms are so suited to being a dairy that whoever buys it does want to know that they are going to be able to get a quota.

And then on the other side of the picture I do know of another fellow that was trying to get into the dairy herd business and he couldn't get in because he hadn't of course a quota, he didn't have so I do realize there are people trying to get in. But I see it really creates quite a hardship on somebody trying to sell their property, which is a dairy, if they haven't got the milk quota at that time. I would be hoping that there would be something that could be done about this so as it could be sold subject to a certain time, with a certain condition or something that could be handled very quickly or something like this. I am just wondering if that could be done.

MR. USKIW: Mr. Chairman, I'm not aware of any problem at the moment. I think the time period that the member is referring to had to do when we had a very tight quota situation imposed on us by the Canadian Dairy Commission and the whole quota question at that time was, in fact, in question.

But my understanding is that we're back to normal. Now I believe there has been an instance, for example only a few months ago, where a European, a person from Europe purchased a farm and a quota was allocated on application to the Board. So I'm not aware of any reason why that cannot be done at this point in time.

MR. HENDERSON: Mr. Chairman, how long would it be after a person would be, we'll say contemplating a sale and you know if a person applied before he had bought, this is what he was wanting to know if he could get the dairy quota and I was just wondering how can they get around this so as they could not have this trouble again?

MR. USKIW: My understanding of it is that the two boards get together on this and that is the Milk Producers' Marketing Board with the Manitoba Marketing Board which is a supervisory Agency, and I don't believe that there is a lengthy delay at this point in time. Now it may have been at the time that our quotas were under review but now I believe it's back to normal. I'm not aware of any current problem or of any individual situation at the moment that is held up for that reason. Now if the member has an individual situation that is currently being held up I'd be prepared to check it out but I don't believe there is anything . . .

MR. HENDERSON: No I haven't any one that's current because as a result of the way it was the fellow wasn't able to sell his property, but the property that I am bringing to your attention was somebody that farmed just west of Souris and you were to his place and there didn't seem to be anything that could be done at that time and the sale wasn't completed.

MR. USKIW: As I recall the discussion that I had with him it was obvious that they knew very little about the quota situation Canada-wide and indeed within this province and so there was a great deal of catching up on information that they had undertaken at that time through the course of our discussion, but I'm not aware whether that particular situation was resolved or not, I wouldn't know he has never been in touch with me since.

MR. HENDERSON: Well we must realize that it isn't every person that's in the dairy business that's up on how you transfer quotas and how it would affect the sale of his farm, but I do hope that there would be something worked out so that if a man is contemplating a sale that he'd be able to at least give some reasonable assurance that his quota could go with his land. It wasn't really going to increase the amount of milk and he wasn't getting extra for his cows, it was just that the man wanted to be sure of a quota if he got the thing. So I just hope that something could be worked out that could accommodate something like that because the people that have a dairy they have a lot of extra equipment around the place.

MR. USKIW: My understanding, Mr. Chairman, is that there is no current impasse on that question. Nothing has been brought to my attention in the last several months.

MR. HENDERSON: Thank you.

MR. CHAIRMAN: The Honourable Member for La Verendrye

MR. BANMAN: Thank you Mr. Chairman, further along the same lines. When the Manitoba Milk Producers' Marketing Board or Manitoba Broiler Board or any board okay the transfer or the exchange of a quota it then goes to the Manitoba Marketing Board or the Super Board who also have a look at it, and usually this is where the problem arises. Isn't that right?

MR. USKIW: If there is problem it'll show up at that stage.

MR. BANMAN: Yes but what I'm talking about is that very often the different producer marketing groups are passing quotas and what has happened in the past is that the Marketing Board then has said, "No, we aren't going to allow the quota transfer." And at this particular stage, and I'm talking specifically now with regard to broilers, what they would do then is the Manitoba Marketing Board would send out an assessor to check the sale. I'd just like to say at this point, some of the sales were very close. I know of one myself where it was sold for \$20,000. They reassessed it and said, "No you're selling for too much, it should be \$18,000." I question that, it's pretty close, then you're dealing with personalities or different people who might have a different idea of what the particular thing is worth.

Now, I understand that at the beginning of last year the different producer groups did meet with the Minister and there were certain changes made. I wonder if he could elaborate on that at all because there were a lot of problems with the Milk Board as well as the other boards.

MR. USKIW: Well, Mr. Chairman, I don't recall the particular meeting that the member is referring to. We had so many meetings dealing with national and provincial dairy policy that I couldn't recall the particular instance. You must appreciate that quota allocation is part of a national as well as a provincial objective and therefore I'm not in a position unless I know specific cases and on which I would have to draw files on — I'm not in a position to respond. There were many discussions and there were changes that were brought about as a result of those discussions but I'm not in a position to enumerate them here.

MR. BANMAN: Two questions: Are you still employing the method of assessing the sales as far as the broiler producers are concerned?

MR. USKIW: I'd have to check that. I'd have to check that with the Manitoba Marketing Board before I could be sure of my answer. They've had discussions over the last several months with all the

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boards trying to come up with a uniform policy on quota transfers and as late as a month ago there was still correspondence between the two. So whether they've resolved all of the questions I'm not in a position to indicate but I could get the information.

MR. CHAIRMAN: I should remind the honourable member to address his remarks to the Chair and not directly to another member. The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. I also wonder if the Department of Agriculture has undertaken any studies to see how the Ontario system is working with regard to the milk quotas. I understand, unless my information is wrong, they run on a fixed amount for each quota. In other words, X number of dollars for each quota, this is the Ontario Milk Producers Association. The problems as mentioned by the Member from Pembina and I have a lot of dairy farmers in my area, the Minister will appreciate that if you have a real good animal that is producing a lot of milk, that animal without the quota is worthless. You might as well sell it to the packing house and whatever you can get for it is baloney so that the farmer is really out a lot of money on an animal like that. I think this is the concern that the Member from Pembina and that a lot of the Members of this side of the Committee have, and that is that the milk producers are highly mechanized now and high equipment costs, high production costs and a farm that is not sold along with somewhat of a guarantee that this person is going to be able to use that farm for dairy purposes it's relatively worthless.

As the Minister mentioned I think possibly that some of the difficulties have been ironed out. There were a lot of problems last June, lately there have not been that many complaints drawn to my attention. But, I'm just wondering if the government has undertaken any studies to see what other jurisdictions are doing. Are they putting a nominal value on a quota and then sending it out or working it that way? What has the Ontario experience proved out to be?

MR. USKIW: Well, Mr. Chairman, certainly we wouldn't want to follow the Ontario experience because there it was a catastrophe. The moment that the quotas were restricted or the amount of quotas available was restricted quota values shot up very dramatically. There was great competition for quotas. It got so vicious that the Ontario Board had to put a freeze on the value and I believe roll the values back, and they have since given notice that within a couple of years they will want zero value on all quotas. And they are moving in the direction that we adopted two years ago. And all of Canada is hoping to be in the position that we are now in on that particular question, the question of quota allocation and on the question of total milk pooling. We are, today, the envy of all of the provinces of Canada on this question. —(Interjection)— Well, the Member for Minnedosa wants to doubt that, I refer him to the resolution at the Ministerial Conference last September in Winnipeg which was passed unanimously that the Government of Canada through dairy policy move in the direction to integrate all of Canada's milk under one pool, province by province and to use their subsidy dollars as an incentive to do that.

MR. BANMAN: Thank you. I wonder if the Minister could inform us as to how many applications were made to the Manitoba Marketing Board for the transfer of quotas and I'm talking about generally the producer marketing boards and what number of those would have been turned down by the board.

MR. USKIW: Well, Mr. Chairman, that is the kind of thing that would normally come under an order for return but I could get the information for the member if he wishes. There is no way we would have it here.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, I'm glad to be here as the urban member learning something, I hope. I wanted to talk about something and I didn't mean the 500 million gallons of milk but sort of the type that is on display back there on the media desk. I wonder if the Minister could explain what his department program is getting in the way of milk into schools. I have a report out of the marketing thing which calls it a nutrition program and it's by Marion Perrett and I wondered if you might know anything about their program or explain to me — that's why I'm here, to learn about the program of getting milk into the schools.

MR. USKIW: The Department of Agriculture is not involved in the school milk program although the Department of Education, I believe, is to some limited degree.

MR. WILSON: Well this is out of the pamphlet put out by your department and I agree that my interest is because I am also interested in the Department of Health and Social Services and the Department of Education which seem to have had large budget cuts in the area of special needs, and I was referring to the Manitoba Milk Producers' Marketing Board and this is where I got this report called The Big Ideas report. I felt that if you could explain the Big Ideas program to me then I could go back in the Estimates of the Minister of Health and Social Development when he talked about cutting out special needs, I might be able to offer some suggestions because apparently under the quota system large amounts of milk have been poured down the sewers. So if I can get an idea of how this thing works then I can maybe apply it to the Minister of Health's Budget when it comes to dealing with special needs in the core areas. In other words getting the milk into the schools and the education for nutrition or what-have-you.

MR. USKIW: Well, Mr. Chairman, the member suggested that milk is being poured down the sewers. I have no knowledge of that at this particular time. It has occurred almost every year, at the peak period of production, where milk was skimmed off and so on, which was dumped but certainly not at this particular juncture.

Secondly, the report or the document that he is referring to is a document put out by the Milk Producers' Marketing Board, it is not a departmental function. It's a producer board document.

MR. WILSON: Maybe the Minister could just give me his own personal observations because it seems that we have so many harmful junk foods going into the schools that I'm here, after reading this report which is rather an enthusiastic idea, it's called The Big Ideas. I wonder if the Minister could explain if it's underway or is it being carried out or basically, I'm asking like the first question, how is the milk getting into the schools, so that I can go back to the other estimates and be able to lend a little comment to the Minister of Health who is not here of course.

MR. USKIW: Well again, Mr. Chairman, it's something that we're not involved in as a department other than through the producer marketing board. I don't know with what co-operation of the Manitoba Board. Distribution and promotion of material for milk consumption through the school program. I have no particular knowledge of even that document that the member is reading from. I don't recall seeing it.

MR. WILSON: Well, again my concern was to try to get the idea of how this milk gets into the schools and the whole program, because under education the core area people tell me teacher aides are being cut out and special needs programs are being cut out. The Minister of Health tells me that under Day Care they can't serve hot meals because they don't get within their budget. So, I'll leave it at that, but the report here was very encouraging and I just wanted to educate myself about how we get milk into the schools and how we get this program across through the educational department. Maybe one of my colleagues down here might have something to say if he could lend any help in that regard.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Thank you Mr. Chairman. I'm going to get away from the milk marketing and possibly into something that isn't altogether in the realm of the Minister of Agriculture of Manitoba either, but it seems that we're having quite a bit of unrest amongst the advisory group appointed to the Wheat Board, elected to the Wheat Board, like Mitchell and the fellow from Alberta who are now claiming that there is sixty cents unaccounted for in final payments in wheat. Rye, I don't think has been specified. But we find that under the Marketing Board that we have an initial payment coming out at \$3.00.

MR. USKIW: Mr. Chairman, I rise on a point of order.

MR. CHAIRMAN: The honourable member on a point of order?

MR. USKIW: Yes, we have no item before us at the present time having to do with the Canadian Wheat Board. The member is clearly out of order. We are not debating Wheat Board expenditures. We have no jurisdiction there whatever.

MR. FERGUSON: Well, Mr. Chairman, as the Minister of Agriculture for Manitoba, I'll ask the Minister then what is he doing to represent the farmers of Manitoba?

MR. USKIW: Mr. Chairman, on a point of order. We have no item before us relative to that question. If he wants to debate it on my salary he will be free to do so. We are dealing here with the Manitoba Marketing Board which has nothing to do with the Canadian Wheat Board. He can raise the Canadian Wheat Board as he wishes when we get to the point of the Minister's salary which allows him to raise any question of Government policy, but right now we are dealing with a very specific item.

MR. CHAIRMAN: Resolution 14(b) Manitoba Marketing Board. The Honourable Member for Gladstone.

MR. FERGUSON: That's quite okay, Mr. Chairman, we'll wait until we come to the Minister's salary.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, to just get back briefly to the comments and the questions posed to the Minister from my colleague from Wolseley. You know the Minister, he seems to use these Marketing Boards as a scapegoat for giving answers to questions, I think, that are properly put by this Committee. And the Manitoba Milk Producers Marketing Board which is one of them and in this report it tells us about the program, milk supplies and what-have-you and what they're doing through the nutritional program for such places as the school divisions within the City of Winnipeg. You know, Mr. Chairman, with the serious problems that the dairymen had last summer — I can tell you an example in St. Claude where this dairyman had fulfilled his quota, the penalty was so severe that he couldn't deliver any more milk. As a result he decided one morning, he says, why should I throw this down the drain, I'll invite all the people in the town to come out and help themselves. And when the town found out about it, because the truck goes out with bottled milk for the retail business and takes milk back, but this particular morning when he went out he found there was no business. So it was

reported to the inspector and the inspector went out to this particular farm to find out what was going on. Mr. Chairman, I would like to tell you, that it's not for quote in this Committee what this farmer said to this inspector and the inspector never did come back again. This is the height of the real difficulties that the dairymen were facing under the Manitoba Milk Producers Marketing Board. And I want to say, Mr. Chairman, that here was a time when there was milk that was surplus and was being poured down the drain if it hadn't been used by people in say the town of St. Claude. And I know I can quote you many other areas.

So, I'm wondering, when we ask the Minister questions of his department, this is the Manitoba Milk Producers Marketing Board in this case, what is being done, what is the liaison, from a report made like this between his department, the Manitoba Milk Producers Marketing Board and I don't know, someone else — there may be a home economist or something who is giving lectures in the various schools as to how valuable a nutrition milk is. So I would like some comments from the Minister on this.

MR. USKIW: Mr. Chairman, as far as the home economists are concerned, the Department of Health is now involved with the home economics groups, part of the group which was transferred from this department to that department, and I might say over the objections of members opposite at the time. And that is one of the functions that they may be performing, I'm not sure that they are, but I gather there has been some input there. They are trying to deal with hard-core need situations in the urban areas.

With respect to the arguments about surplus milk production last year, I don't know whether the Member for Rock Lake isn't presenting us with an argument that the way to solve Canada's milk surplus problem is to allow everyone to produce as much as they want and to scrap the regulations both national and provincial that do exist. I would like to know whether that is what he is advocating because I know he is very critical about constrained production which took place last year in order to maintain our production within our market potential. I am wondering whether he is advocating that we produce far beyond what the market can absorb and whether he is advocating the abolition of provincial and national marketing systems as they

relate to milk?

MR. EINARSON: Mr. Chairman, I have never made any advocacy in any of my comments.

MR. USKIW: I invite you to.

MR. EINARSON: Oh, that's a big difference, Mr. Chairman. The Minister invites me to. He would like to debate here for the rest of the night on this one subject. I'm not interested in that. I'm concerned about the problems that have been created and all I'm trying to ascertain, was there any dialogue between the Manitoba Milk Producers Marketing Board and any officials of the Department of Health? He is now telling us possibly that some of the home economists that were removed from the rural areas have been brought into the city and he says I objected to it and I objected very seriously because I think those people were performing a useful service in the rural areas. I have no objections to that kind of service being provided in the city, but not at the expense of rural Manitoba, Mr. Chairman. I think that the government would have been much more and better advised if they'd have probably increased the number of home economists if that service was necessary in the City of Winnipeg. I have no objection to that.

But I'm wondering if there was any dialogue? Has the Manitoba Milk Producers Marketing Board informed the Minister as to what dialogue went on between, say, the school boards in the City of Winnipeg as to whether there was a possibility of allocating, because this is a report for up to December, 1976 as I understand. Was there any dialogue went on last summer between, say, if there were home economists or whoever it was, with the Department of Health and his department as to what we could do or how best we could make use of that surplus milk for that period of time?

MR. USKIW: No, Mr. Chairman, that would not be the kind of relationship that one would normally have. The Milk Producers Marketing Board of course did not consult with us on all of their activities. It is only where it involves provincial and national dairy policy that we are very much in consultation. The rest of it is a day-to-day operation of their Board, which we don't have anything to do with or virtually nothing to do with. In terms of what they have attempted to do with other departments, I am not at all aware of.

The member is wrong when he suggests that we transferred home economists from rural Manitoba to Winnipeg. No one suggested such a thing nor did we do that. We transferred the central home economics group headquartered in the Norquay Building, as I recall it, to the Department of Health to serve as both Agriculture and Health. It had nothing to do with the transfer of rural people to Winnipeg.

MR. EINARSON: I would like to suggest to the Minister, through you, Mr. Chairman, that a home economist in Portage la Prairie doesn't do a group of people or people who require the services over in Cartwright, which in the southwest corner of my constituency — a long ways away. . . So on that point and we're getting away from the subject matter, Mr. Chairman, but the Minister, when he brings up that kind of comment, I would suggest that he has done an awful lot to remove the services to rural

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people when they removed, I believe it was five home economists from rural Manitoba. I stand to be corrected if I'm wrong, Mr. Chairman, but I believe there were five.

MR. CHAIRMAN: I do thank the Honourable Member for reminding me that we were straying just a little off the topic of the Manitoba Marketing Board. The Honourable Minister.

MR. USKIW: Mr. Chairman, I don't want to respond to that if we are off the subject, unless you want to allow me the latitude to point out that the two positions that were transferred were not transferred to Winnipeg, they were transferred to northern Manitoba, two out of the total.

MR. EINARSON: Well, Mr. Chairman, I won't dwell any more on the home economists, we can probably do that later on. But it seems to me that the Minister's department, and here we are talking about the Manitoba Milk Producers Marketing Board, either are not conversing with the Minister, they're not informing the Minister as to what is going on within their Board's operation — and I'm given to understand that is one of their responsibilities, to inform the Minister as to what is going on within the ambit of this Board submitting a report of this kind. It's an annual report, Mr. Chairman, and what is contained in that report, it appears to me that the Minister, whether he is not concerned or doesn't give a damn as to what's happening. I suggest, Mr. Chairman, that this apparently is the case because of the kind of answers we are getting from the questions we posed to the Minister.

MR. USKIW: Mr. Chairman, it's hardly worth belabouring the point that the Member for Rock Lake raises because he is so far off the mark, it's just a pure waste of time. The member fully knows that marketing boards, producer-elected, run their own affairs. So there's no point in belabouring the fact of whether or not their annual report is submitted to the Minister or is not submitted to the Minister. Their annual report is for the benefit of their membership and the Minister may get a copy of it, but they don't consult with the Minister in drafting of the annual report.

MR. EINARSON: That is what I want to hear.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: The Minister has answered it in part when he says they don't consult with the Minister when filing their annual report. I wonder, is part of this \$118,000 in salaries, would this Marion Perrett, would she be part of that \$118,000 salaries, this lady, Marion Perrett that's mentioned in the report?

MR. USKIW: I don't know who she is, so unless someone can tell me who they are talking about.

MR. WILSON: Well, then, what I will say is that apparently it is your staff from the Norquay Building that had this innovative program, big ideas, and went into the elementary schools to sort of sell the idea that all school children should get involved in drinking milk? It says that many of the nutrient shortages were supplied by milk and milk products, so it seemed to me that somebody on your staff, from this report, was out selling the consumption of milk idea to the schools.

MR. USKIW: Mr. Chairman, we are dealing with the Manitoba Marketing Board, that is the supervisory board over all marketing boards. We are not dealing with some staff in the Norquay Building.

MR. WILSON: Okay, I'll leave it at that, Mr. Chairman, except that it seems that someone in the Minister's department, or through one of the boards, has given the impression that there's some great selling job being done in the schools to drink milk and what have you, and I was trying to obtain information to find out if that indeed was happening, because somebody is patting themselves on the back by saying, "We've got a program called 'Big Ideas.'" But I can't find anything out about this "Big Ideas" program.

MR. USKIW: Mr. Chairman, again, for the benefit of the Member for Wolseley, he should not confuse the Marketing Marketing Board with a producer-elected board; they're two distinct different boards. One is a supervisor over the other in terms of the regulations that apply.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I was enticed into entering the debate at this particular time because of a statement made by the Honourable Minister, a statement which by the way I agree with, that we under our law that's provided by under the National Products Marketing Act, do from time to time accord to various commodity groups, producer groups, the right to determine how their commodity will be marketed.

If the Minister will recall, several days ago we had an exchange as to the position of the Milk Control Board in this respect. Just a few moments ago, the Minister indicated that he would not interfere, or his government would not interfere with how a producer group decides how their product will be placed on the market to the consumers of this province. I asked at that time, at some considerable length, what was the particular role of the Milk Control Board, in this sense. And he indicated to me, if Hansard will prove correct, that we cannot allow the producers of milk to determine such things as price, such things as allocation of where the milk will go, and that after all was the rationale for the Milk Control Board in this particular instance.

I also recall that I pointed out to him that that wasn't the case in terms of turkeys, in terms of broilers. I asked him the question: Should the vote turn out successful in terms of beef, what super body is he going to appoint that will decide what the price will be for beef, notwithstanding what a producers' board wants that price to be.

Mr. Chairman, the Minister can't have it both ways. He cannot parade around this province telling producers that they will determine the future of their product and the destiny in how that product will be marketed and at the same time reserve for himself the right to, at will, impose an intermediary board, as is in this case the Milk Control Board, that decides at what price and where and how milk will be distributed in this province of Manitoba.

Mr. Chairman, the Minister simply is straddling the fence in a very cute manner. He cannot espouse the rights of producer boards to control the destiny of their product and at the same time uphold the position of the Milk Control Board in this instance, to determine how that product will be marketed. I see a basic contradiction of the Minister's position in this sense.

I know the Minister's position with respect to marketing boards. I know that the Minister would like to be in a position where he would at some point in fact perhaps — and I'm divulging a private conversation that I've had with the Minister in this sense — at one point he would like to be in a position where he would become the consumer's advocate. I know that the Minister doesn't hold that against me for divulging that at this point. And you have said it publicly, Mr. Minister, where you would want to become the consumer's advocate in terms of protecting consumer rights in this area, where, should it ever come to that point where he felt, and I have to agree with him, where both of us felt that the primary producer was in fact ripping off the consumer. Mr. Chairman, in this instance I and the Minister agree that hasn't happened yet, either under my administration or under his administration. So for that point, we have some point of agreement.

But the Minister cannot tell me that the producer boards that he is setting up are being given that kind of final authority with respect to how their products are being marketed as long as he is prepared to (a) in the case of milk, continue, in my judgment, the redundant capacity of the Milk Control Board, which surely has to take away from the powers that we say that we have given to the milk producers. Let's understand something, the whole rationale, when we say to primary producers, "Start managing your own affairs. Here you are, a bunch of milk producers, you're the fellows that milk the cows 365 days a year. If you want control of your industry, then form a board and board." And this Minister has made it possible. We have formed the Manitoba Milk Producers Marketing Board. It is their product; they work for it and how it is going to be presented on the market surely is their decision. But not with this Minister, not with this Minister. This Minister says, "Oh, no, that sounds nice, as a matter of fact that even buys the odd vote in the country, but we can't trust the milk producers of this province to do that. We have to continue with a Milk Control Board that will establish the price of the dairy farmer's labour because we quite frankly can't trust the dairy farmers."

I will divert my attention for a moment, through you, Mr. Chairman, to my honourable friend from Ste. Rose who has some understanding for the primary producers. That, in essence, Mr. Chairman is what we have in the milk industry and the Minister cannot deny it because just two days ago or three days ago he said so in this committee, that we cannot entrust to the Manitoba Milk Producers Board the right to establish their price for their product. — (Interjection) — Well, if he didn't say that, what he did say is that it's because milk is a basic commodity we have to have a government-appointed board and of course here is where the difference comes in and the Minister has had fun with me with respect to government-appointed boards. We have to remember, the Milk Control Board is not elected, it is government-appointed. It is government-appointed, and they decide what the price of milk is going to be in the Province of Manitoba. Right, Mr. Minister? They decide what the price of milk is going to

be in Manitoba, not the Producers Marketing Board, not the producers that work with the cows 365 days.

You see, Mr. Chairman, all that I'm trying to do is, if I'm being a bit of a devil's advocate in this case, is to point out the inconsistency of this government and the Department of Agriculture's approach to marketing right now. In the case of turkeys, there is no problem. There is no super board that decides at what price turkeys will come on the market. The Turkey Marketing Board decides that. In the case of eggs, in the case of broilers, there is no problem, their respective boards decide that. But I find a trace of inconsistency in the Minister's position that says that in the case, we cannot allow that trust to be transferred to the producers to make that decision on their own.

Really, Mr. Chairman, what I'm trying to do is help the Minister out and I know that the Minister has over the years — in fact he's got a bit of a name as being a bit of a hard-nosed s.o.b. that has sometimes been a little hard on budgets . . .

MR. CHAIRMAN: The Honourable Member for Ste. Rose on a point of order.

MR. A.R. (PETE) ADAM: I know that the Member for Lakeside is really bending over backwards to assist the Minister is getting his Estimates through. However, at our last sitting we listened to practically every word that he has uttered in the last little while and it seems to me that this is being very repetitive, because we listened to the same argument here from the member when he was on the other side and it's almost word for word. In order to hurry up the business of the House could you not rule on that, Mr. Chairman?

MR. CHAIRMAN: The Chair does attempt to be as accommodating to honourable members as possible. The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, recognizing that the Honourable Member for Ste. Rose and I have possibly very similar and coinciding concerns, namely that we hurry up the session of this House so that in fact we can place the bigger problems in front of the people of Manitoba at an early election, hopefully called by May 15th, so that that election would be called by June 28th. I surely will be prepared to desist from any further contribution on this particular aspect. If that accommodates the Honourable Member from Ste. Rose and if in a small way I accommodate the calling of that election then surely I would be doing a disservice to the farmers of Manitoba if I would continue speaking.

MR. USKIW: Mr. Chairman, the Member for Lakeside for whatever reason has chosen to repeat the same fallacious argument that he made last week and that is in trying to draw an analogy between all the other Marketing Boards that exist and indeed the Milk Producers Marketing Board and the Milk Control Board. In fact they're not analagous, whatever. All the other Marketing Boards do not have and neither does the Milk Producers Board have the power of setting retail prices and of setting processor margins. The Milk Control Board is the only authority of all of our Boards that has that power. All of the other producer boards have equal power and that is in the setting of prices at their level, at the producer level. The Producers Milk Marketing Board has powers to set prices at their level with one exception and that's on all the commodities or milk for commodities other than the milk that goes into the bottle trade which is set by the Milk Control Board. That is the only difference. But the role of the Milk Control Board is much greater and much more responsible to the community as a whole than is the role of all the other producer marketing boards in that they set the retail price and they set the processor margins. And I know that the Member for Lakeside would want to convey the message that he is so much concerned about the producers in this regard, I would wonder whether or not he is really not advocating that we abolish the Milk Control Board in order that the processor who is working on the finest margin of all places in Manitoba compared to all other provinces in Canada, whether that isn't perhaps at the back of his mind. Maybe he wishes there would be no control on processing margins whatever in this province.

Now that policy has resulted in Manitoba enjoying a lower milk price to the consumer, the fact that we do have lower processing margins in this province than does any other province in Canada. Perhaps that is really at the back of his mind, Mr. Chairman because that would be the result if the Milk Control Board were to be repealed. If in fact we were to assume that there was no need for it then there would be no mechanism to protect the consumers on the retail side and there would be no mechanism to protect the consumer from excessive

profiteering on the part of the processors in this province. That would take us back, Mr. Chairman, about forty years.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Chairman, just one final question on the dairy thing here. I asked the Minister earlier today about the price increase on milk whether the price increase — and I would like this confirmed whether it is right or wrong — from \$8.42 per hundred to \$8.68 per hundred. Is that price reflected on to the producer or is the processing plants realizing any of this increased price. I would like the Minister to comment on that to see if I am correct or if I am wrong.

MR. USKIW: Well, Mr. Chairman, I am assuming that the Member for Rock Lake is quoting from a new price schedule furnished to him by the Milk Producers Marketing Board and I assume it's for a commodity that they have price jurisdiction over. If it is a new price, yes, it would be a price that is

beneficial to the producer. That is their asking price for their product, whatever price changes have been announced. Now I'm not familiar with the document that the member is reading from. It must be the most recent price change, I presume. That's on cheese and milk, I presume.

MR. EINARSON: Right.

MR. USKIW: That would accrue to the producer.

MR. EINARSON: Then, Mr. Chairman, I would like to ask, is the Minister satisfied with the margin that the processing plants are receiving insofar as their responsibility of producing cheese and various other dairy products is concerned?

MR. USKIW: Well, Mr. Chairman, it matters not whether the Minister is satisfied with margins of a cheese processing company in this province. It has nothing to do with the Minister whatever. The Minister has no role in setting those prices. That is governed by a formula that relates to the price of milk at Belleville, is it? Or the price of cheese at Belleville? And that is a formula related adjustment that takes place in this province. So it has nothing to do with whether the Minister likes it or dislikes it. The Minister can pretty well lump it, Mr. Chairman, and the Board will do as they please in that connection.

MR. EINARSON: Well, Mr. Chairman, then I think the comments the Minister just made indicates to us that he is being very contradictory when he talks about a stay option in rural Manitoba and apparently he has no concern, regard for industrial plants say in Pilot Mound, in Arborg or in any other area of Manitoba whether they succeed in operating or not. These plants employ people in the various towns and they have done a lot of hard work to develop the industry over a number of years and so if the Minister is now telling us for the record that he has no regard and could care less whether they exist or whether they don't is satisfactory for us to know this, Mr. Chairman.

MR. USKIW: Well, Mr. Chairman, the Member for Rock Lake knows that that is not what I had stated. I had stated that the price adjustments announced from time to time by the Milk Producers Marketing Board are their own decision and they do not have to consult with me when they make those decisions.

MR. EINARSON: Mr. Chairman, to get on to another subject, we're dealing with marketing which provides market analysis, development and promotion of agricultural products in Manitoba and I would like to get to . . .

MR. USKIW: Mr. Chairman, on a point of order. Did we pass (b)(1) and (2)?

MR. CHAIRMAN: We are on Resolution 14(b) — The Manitoba Marketing Board.

MR. USKIW: The member is really taking us back to 7(a).

MR. EINARSON: We have been talking about the Milk Producers Marketing Board. I would like to get onto the Pork Producers Marketing Board now if I may.

MR. USKIW: Oh, that's fine.

MR. CHAIRMAN: Proceed.

MR. EINARSON: Well, Mr. Chairman, I would like to ask the Minister if he could enlighten us on a mission that was taken to Denmark, Ireland and Sweden and was organized by the Chairman and the General Manager of the Hog Marketing Board from Manitoba, Alberta and Saskatchewan. I wonder if the Minister could enlighten us as to how successful that trip was insofar as promoting the commodity of pork in those countries. Or could he tell us just what was that mission all about.

MR. USKIW: Mr. Chairman, my understanding is that it was a bit of a learning experience for the three provincial boards and hopefully was a move that would result in the three boards working closer together rather than competing for the same market in Japan. Now that is something yet to evolve but hopefully that will be one of the benefits from that particular trip. That is something that the producer boards have undertaken on their own with the help of our marketing branch. That is not something for me to censor or to approve or disapprove, Mr. Chairman.

MR. EINARSON: Well, Mr. Chairman, I would like then to ask the Minister what was the cost of this mission and was this paid for, the funds borne out by the Manitoba Marketing Board?

MR. USKIW: Mr. Chairman, that my honourable friend will have to ask the Hog Producers Marketing Board of Manitoba. He may attend at their meeting or send them a letter of inquiry. I have no knowledge of their costs, Sir.

MR. EINARSON: Mr. Chairman, I would like to ask the Minister about 60,000 pounds of pork that was sold in the country of Japan to retail firms. I would like to know if the Minister could indicate what were the results — how much pork was sold otherwise by providing buttons, brochures, etc. as they called and used the slogan "Friendly Manitoba" as related to their pork sales in Japan.

MR. ENNS: Mr. Chairman, just before we pass the marketing issue, just a simple question. I have raised on one or two occasions, the first time being the closing days of the last session, a particular instance where in my judgement, a board operating under the jurisdiction of the Manitoba Marketing Board blatantly abused its privileges and was subsequently taken to task for that action and indeed fined and the plaintiff in this matter was awarded costs plus a fairly substantial judgement. Can the Minister confirm that that action was appealed by the Board in question and that that appeal was subsequently rejected by the Manitoba Court of Appeals in a unanimous decision.

MR. USKIW: Well, Mr. Chairman, I could not be certain of that. If the Member is telling us that that's what happened I would have to take his word for it. I cannot recall.

MR. ENNS: That's fine. I have no further questions. But for the purpose of the record in the light that my remarks on this particular subject matter may have been taken out of context as being overly critical about the whole business of Marketing Boards in Manitoba, I need not remind this Minister and this government that it was largely under the direction of the previous administration that established a number of Marketing Boards in Manitoba and indeed modified and brought up to date the Natural Products Marketing Act under the leadership of one George Hutton. I make no apologies to any consumer or any commodity group for decisions that have been taken from time to time by members like myself that have appeared to be overly critical about the powers contained in the Natural Products Marketing Act. I raised that particular issue, that particular issue, in my judgement, has been dealt with in the courts of our province. I understand that the matter was appealed. I also understand that the unanimous decision of the Appeal Courts in the Province of Manitoba substantiated the judge in this particular case as to the judgement that he handed down in that particular case. If the Minister doesn't wish to accept the statement as I am making it, that's fine, then I'm happy that the record will merely show that that in fact was the case which was the point that I was making earlier, not in terms of a general indictment about the role of Marketing Boards in general that they have in protecting producers, commodity groups but that it is a powerful piece of legislation and that senior governments hand into relatively minority groups very serious powers and authority and that they can and have in fact abused those powers. Thank you Mr. Chairman.

MR. CHAIRMAN: Resolution 14(b)(1)—pass; (b)(2) Other Expenditures — pass; (b) — pass. Resolution 14(c) Agricultural Product Marketing Commission. The Honourable Member for Lakeside.

MR. ENNS: Well, Mr. Chairman, I believe this is where we should talk about black beans because it's my understanding that the Honourable Minister, in the company of I'm not sure who, because I haven't got a return to my order for return in the House, travelled to Cuba at that appropriate time, mid-February, when most of us would like to travel to Cuba, to sell black beans. I understand the Minister's mission was successful and in fact sold most of the 3 million pounds of black beans that the Jenni Mortons and the Arlene Billinkoffs and the Debbie Sproats were proud co-owners of as residents of Manitoba. They weren't consulted before they bought the 3 million pounds of black beans but nonetheless we as taxpayers of this province all became owners of the entire crop of black beans grown in this province. It's my understanding that the Minister successfully sold the black beans to Cuba at a loss to the taxpayers of Manitoba and I'd like to give the Minister an opportunity at this particular time to tell us the story about the black beans and how the department managed that whole affair, namely, the purchasing of the entire crop, the paying for the costs, the paying for the storage and how in fact they were sold to Mr. Fidel Castro.

MR. USKIW: Well, Mr. Chairman, the Member for Lakeside, perhaps, I'm not sure I think we dealt with this to some degree in years

/ past . . . /

MR. ENNS: Nobody grew black beans in years past — blueberries, maybe, but not black beans.

MR. USKIW: The growing of black beans, of course, was undertaken as a research and crop development program about two years ago and contracts were entered into with farmers in Manitoba for their growing of black beans on an experimental basis to determine whether we have a commercial potential in Manitoba for the production of black beans, and if so, that it would result in another crop adding to the list of special crops that we now grow. And so it was never envisaged at that time . . . well, it was not looked upon at that time as a commercial venture, at least not until today. It is in 1977 that the growers of black beans will have to make the decision whether they want to get into a commercial production situation. So the two years of experimentation have been proven beneficial and to the extent that we have now the knowledge of production, the techniques, whatever was necessary to learn about black beans, and marketing of the same, we have received a benefit out

of that research. So I don't know how the Member for Lakeside would conclude that spending money on research and development of new crops is somehow a loss. I have yet to understand that because we do that every year to some extent with regard to some commodities. University people are always involved in the expenditures of money on development of new crops, new varieties, in order to expand the province's potential for export and so on.

I reject, but completely, Mr. Chairman, the notion that the development of a new crop added to the list of crops that we now produce is being some sort of a loss to Manitoba, to know that we now have one more option in the production of crops in Manitoba, especially having the background of the instability, and dependency on the cereal grains as we used to be so dependent over the years. So I reject totally the notion that this kind of research is a waste of money.

MR. DEPUTY CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, the Minister bandies the word research around in a very loose manner. I would like to ask the Minister how much money aside from the pure sense of research . . . for instance, we have laid out as the taxpayers of this province on the hybrid grain called triticale for instance. I am quite aware that we have over the years - it hasn't commenced with this administration, it was commenced many administrations past - in terms of developing a strain at the University of Manitoba, in terms of plant genetic work that is going on, but in this particular instance, the government, through the agency that we are dealing with now in the Estimates, Mr. Chairman, the Feed Commission, set itself up as the buyer and the guarantor of a certain price. We have said it is not just a pilot or research project as to develop the wherewithal and the technique and the knowledge of how to grow black beans. This agency as a commercial agency purchased a crop, indicated to the producers that we will pay you, my understanding is 18 cents a pound for every pound of black beans that the producers grow. They then found themselves in the position of having sold one or two loads at a loss, having to store this crop for a year or better plus handling charges plus drawing charges, and really what I'm after, I don't want to get into debate too much further on this, but I would like to know for instance specific questions. My understanding is that the crop was finally sold, negotiated by the Minister himself in Cuba, at the price of roughly 16 or 16.5 cents a pound. I would like to know if that price is F.O.B. Montreal or F.O.B. Winnipeg because there is a big difference. If that price was F.O.B. Montreal, then indeed we are looking at a considerable contribution on behalf of the taxpayers of Manitoba to move this crop to Cuba. And I would like to really ask the Minister what service are we doing to the producers in Manitoba, how realistic are we in suggesting to them that there is a viable alternative crop if in fact other producers, namely the United States, can substantially undercut this market and produce those beans for something like 12 or 14 cents, which is totally unacceptable to producers in this province for growing that crop at that price. I would like to ask the Minister to substantiate the final price that the sale was negotiated under and its destination, F.O.B. Montreal or F.O.B. Winnipeg.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, first of all I would like to point out again to the Member for Lakeside that this was not looked upon as a commercial venture yet, but nevertheless a venture wherein in order to entice farmers to try a new crop, that they had to have a market for it. Since there is no domestic market for black beans, it had to be purely an exportable product. . So in essence the department offered for the first two years a very good incentive price to encourage some acreage in the production of black beans and the price was 18 cents a pound. It is the kind of price you would want to guarantee once you were into a commercial operation, but certainly as an inducement to experiment, get farmers into a new crop situation, it was considered to be not unreasonable, given the fact that if the production is successful, that the beneficiary indeed is the farmer himself getting a fairly reasonable guaranteed price in a guaranteed market. So that is what has been achieved. We were successful in producing a number of . . . fourteen hundred tons, to be precise, or a little more, fifteen hundred tons of beans under that arrangement, which we have marketed for something like \$580,000.00.

MR. ENNS: Tons or tonnes?

MR. USKIW: Tonnes, yes; tonnes. Metric tons.

The receipts on those beans were somewhere in the order

MR. ENNS: Does it come close to nineteen million pounds?

MR. USKIW: . . . of \$580,000. The costs are somewhere in the order of \$621,000 and we're not precise here because we are still not through with the program but there seems to be about a \$40,000 or \$50,000 spread between costs and receipts. Now, we will have a more refined figure once we have completed the shipments and so on and all of our costs are accounted, we have an accounting of them. So it's relatively a modest experimental program with a modest cost to the province which has resulted in the knowledge that we have an additional crop that could be produced if farmers want to diversify further their production in Manitoba.

Yes, the member wanted some additional information. The beans were sold F.O.B. Montreal at \$370 a metric ton.

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MR. ENNS: Thank you. Mr. Chairman, lest I be misunderstood, I do not berate the Minister for introducing any innovative programs with respect to helping the diversification of Manitoba agriculture, particularly where it applies to cash crops. I can well recall, Mr. Chairman, prior to the time that the constituency of Gladstone was represented by a more responsible member than now is the member being ridiculed . . . no, being represented by a less responsible member than is now the member, being held up to ridicule in the House because of having that innovative spirit that the Minister exhibits in spending some \$7,000 or \$8,000 attempting to foster the growth of blueberries in this province. I suspect that that is a measure of the inflationary times that we are in. You see, I have some difficulty in accepting the Minister's statement that this is not a commercial venture. We are dealing with a little more than a half-a-million dollars of taxpayers' dollars.

MR. USKIW: Small potatoes, Harry.

MR. ENNS: I will tell you, Mr. Minister, I can remember one in particular, C. D. Howe and a few others saying, "What's a million?" and learning to live with that. Mr. Minister, I suppose that is the difference between you and I, that in my judgement, when you are playing around with a half-a-million dollars worth of taxpayers' dollars, that I have a slightly different regard for that amount of money than you have, sir. The pilot project entered into is not to be criticized. I am only suggesting that in my light, when you are dealing with half-a-million dollars, it has far superceded a pilot project; it is in fact a commercial venture and again a commercial venture where a government agency is found ruefully wanting in terms of execution. So they laid out 18 cents for black beans, finally sold them for 16 cents F.O.B. Montreal, which means that the beans were probably sold — beans that cost us something in the neighbourhood of close to 30 cents a pound, yes, very close to 30 cents a pound — we sold to Cuba for 16 cents a pound and this Minister tells me that this is not a bad deal. Well, I quite frankly don't see my obligation, as much as I like the Cuban people, that we should be supplying them at our expense with beans for 16.5 cents a pound.

MR. USKIW: Mr. Chairman, the Member for Lakeside is trying to make a point of a half-a-million dollars. In excess of a half-a-million had been spent; in excess of a half-a-million have been realized through receipts and it is the difference that is in question, it is not the half-a-million. And certainly I reject completely the notion that for the member's ideological reasons that we should not explore a market opportunity for new crops. That would be the last reason that one should not want to get involved in the production of crops that (A) are exportable and (B) are on a net import basis of the country in question. They are net importers of black beans and therefore if there is a market opportunity for our producers here, it is proper that the marketing branch should have exploited that opportunity.

MR. ENNS: Mr. Chairman, I desist, I give up, I should have understood that a government that feels the compassion, the generosity of heart, the feeling that we should come, all of us in Manitoba, to the immediate assistance of a down-trodden, backward people like those who live in San Francisco, that we should provide them with buses at less than cost, that all of us should chip in so that little person jumping onto a bus in San Francisco should know that he does so because the people in Manitoba felt a deep and burning desire somewhere within the bowels of our very gut feeling that we have this responsibility, that I would suspect that we would feel at least the same kind of feelings for the hungry people in Cuba. So I shouldn't really press this Minister for selling beans which I understand to be a basic food commodity in South American and Latin countries, we should at least extend that same feeling for the people of Cuba. I can understand that, Sir, why should we treat the Cubans any less than we do the San Franciscans in terms of their basic need in public transport? So, Mr. Chairman, I'll not press this question any further. I think this government — I would like it to go on record, that we believe that the taxpayers of Manitoba should be providing the basic foodstuffs for Cuba, we should be providing subsidized transportation for the people of San Francisco, and we will continue doing that as long as they are in power. I think that is a noble cause and I quite frankly think that in a global way, knowing that we are rapidly coming to a kind of a world community, that perhaps, Sir, this Minister and this government have seen a particular responsibility that I must admit that I haven't quite seen before, but perhaps they're right and I'm wrong and the people will decide on June 28th.

MR. USKIW: Mr. Chairman, I wish to point out to the Member for Lakeside in the event that it has escaped him that I indicated in my statement on this particular item that 1977 will be the first year in which we will not be continuing an experimental program, and in which case, if the producers wish to carry on in bean production that we will be in a position of offering marketing assistance but where we do not and will not provide any guarantees, unless of course we have negotiated a contract with guarantees in prices and volumes in advance. And so we are now in 1977 entering a proper commercial relationship so that from this point on, it is up to the producers, having the knowledge that they have gained over the last two years in their experiment, as to whether they want to continue or increase their production for this particular market or not. It's an open book from here on in.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I think this is a very interesting subject here and now after the

comments the Minister has just made and he is leaving it up to the farmers who had a contract last year — is the Minister now leaving the farmers to make a decision as to whether they are going to sow black beans this spring or not? And the question I would like to ask further: Do they have hopes of entering into another agreement with the Department of Agriculture in this province as to what their future lies for next year's crop in black beans?

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. USKIW: Yes, Mr. Chairman, the farmers were hopeful and are hopeful that they would enter into an agreement with some minimum guarantees from the marketing commission as to price but we have indicated to them that we would not be in a position to give such guarantees unless we were able to enter into a

contractual arrangement with an importer, whoever the importer may be, and that could be anywhere in South America for that matter. So we hope to have some idea, some answer, from the Cubans in particular on that question, whether they have an interest in a new contract for the production year 1977. If we do not have a definite commitment as to price and volumes that they would be interested in, then I suggest that the farmers will have to make their own decision as to whether they want to gamble on the world market and we will attempt to assist them in the sales of their production.

I might point out while the Member for Lakeside muses about a half-a-million dollars worth of bean production being very substantial, in our negotiations with the Cubans, they sort of said to us, "We normally don't want to sit down and talk about 1,400 tons. We would rather talk about 5,000 or 10,000 tons." So it may seem like a large amount to the Member for Lakeside. To a country that is a net importer of such a commodity, it is not truthfully a convenient arrangement to talk in very small tonnages.

MR. DEPUTY CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I fully understand the Minister's position and I understand that he has had very close and confidential discussions on this matter with the Cuban authorities and he appreciates the fact that they would like to develop a dependency on us for black beans, much as they have developed a dependency on the U.S.S.R. for their sugar production. It's a very nice . . .

MR. USKIW: Mr. Chairman, I think the member should appreciate that whatever subsidization took place in this particular program, the benefit of that went to the producers of this province.

MR. ENNS: But, Mr. Chairman, when the Minister speaks of benefits, the fact of the matter is that, and I have yet to determine whether it is \$100,000 or it is \$200,000, and you don't ship 1,400 tons or 300 million pounds all the way to Montreal — you are speaking to a bunch of grain producers here, who know that it costs them at least 41 or 42 cents a bushel to ship a bushel of wheat to the Lakehead. Now, we're shipping these beans all the way to Montreal, we're selling them for 16 cents; we've stored them for over a year-and-a-half at ten cents a hundredweight; we've dried them, we've handled them, we've bagged them and I have yet to find out from you, Sir, whether it has cost the Manitoba taxpayers \$100,000, \$200,000 or \$300,000. You, Sir, cannot talk to me about a great benefit to the Manitoba taxpayers for selling three million pounds of beans at a loss to Cuba.

Don't be that bald-faced and tell me about a great benefit — yes, to 33 black bean producers it was possibly a benefit. But surely not a benefit to the taxpayers of the Province of Manitoba.

MR. USKIW: Mr. Chairman, I reject that completely. The Member for Lakeside suggests to us that there is no continuing value in the knowledge that we have the capacity to produce another crop in this province and it has been tried . . .

MR. ENNS: You can have all the knowledge you want, but damn it all if you don't make a buck at it, where's the benefit?

A MEMBER: We can all use knowledge.

MR. USKIW: Mr. Chairman, the value of knowledge to the producer is the knowledge that the producer has an option which he would have not had otherwise. That's what research in crop development is all about and the Member for Lakeside need not to put on a show because all governments over all time in the past have indulged in development and research programs to extend the opportunities for crops in Manitoba for Manitoba farmers' benefits.

This is not a new idea, Mr. Chairman. We've been doing this in this department for 50 years to say the least, if not more. Now, the member would like to make a play on the fact that the purchaser happens to be Cuba. Well, I have no hang-ups about that whatever, Mr. Chairman, I have no hang-ups about it at all. The important thing is that we have developed a new opportunity in production — (Interjection)—

MR. CHAIRMAN: Order please.

MR. USKIW: Mr. Chairman, the important thing is that we have developed a new crop and we have hopefully developed a market opportunity that is going to last and if it does, that adds to the diversity of Manitoba's agriculture. That is the important result of this experiment.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

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MR. EINARSON: Mr. Chairman, in view of the fact that you don't decide on growing black beans overnight, I'm wondering, has the Minister any arrangement or any plans with any Latin-American country whereby the 1977 crop for black beans, if they are produced, is going to be sold?

MR. USKIW: I'm sorry, I didn't get that last point.

MR. EINARSON: I would like to ask, Mr. Chairman, through you to the Minister, in view of he's talking about the farmers having to take the responsibility as to whether or not they produce these black beans not knowing whatsoever as to whether they have a market or not, has the Minister made any negotiations of any kind with either Cuba or any other country in Latin-America for this coming year's bean crop.

MR. USKIW: Mr. Chairman, that's precisely what the trip was all about, to sell our stocks and to try to come up with an agreement for another period of production and we are awaiting a reply from them as to what happens in 1977. We have put the proposal forward to them that we would accept a contract that had a minimum price and a maximum price and that we would want to negotiate the actual price between those two figures at the end of our production year once we know the volumes and so on. That is the proposal that we left with them. Now, we are awaiting their reply and if we receive a positive reply we'll be in a position to then offer contracts on the basis of such an arrangement.

In terms of the total cost — the Member for Lakeside raises the question of the total cost — the farmers received \$576,000, the storage costs were \$113,000 for a total of \$689,000; the receipts for beans will be \$581,000, for a loss of \$108,000, and then there is a freight factor of \$45,000 so the total deficit over a two-year program is roughly \$153,000.00.

MR. ENNS: Thank you, Mr. Minister.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, the Minister has now indicated that there is an agreement, that is, negotiations going on between his department and the country of Cuba. Is the Minister able to give the farmers assurance that had contracts last year in time for this spring's planting of black beans?

MR. USKIW: The commitment that was given to us in Cuba was that that answer would be forthcoming some time mid-March, which is now. We have not had a reply yet but it is to be here by the middle of this month. Now, we are awaiting that reply.

MR. CHAIAN: The Honourable Meer for Rhineland.

MR. ARNOLD BROWN: Thank you, Mr. Chairman. My question already was asked, really, by the Member from Rock Lake, but I would just like to confirm this. The Minister is saying that he is expecting a contract price for black beans by the middle of March, if Cuba . . .

MR. USKIW: If there is going to be one. Mr. Chairman, I would like to entertain the Member for Lakeside just a little bit because I think he has been far too sensitive about this question. I would like to remind him that the welfare of the prairie grain producer has almost completely depended on sales to the Soviet Union and China for the last 20 years and somehow or other that doesn't rise in debate, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Mr. Chairman, I was interested in the figures that the Minister of Agriculture just gave us and I wonder if he could tell us, with regard to the \$576,000 that was paid out to the farmers, when they received their cash receipts for the black beans?

MR. USKIW: As I recall it, on delivery. No, I think there was an advance payment and then a final, I'm not sure.

MR. BANMAN: A further question then, of course, that begs to be answered, Mr. Chairman, is, if we have had the beans in storage for that long and we paid out the farmers \$576,000, at about 10 percent interest we are looking at another \$57,000 to \$60,000 that we could tack on, which would then make the total loss around \$200,000.00.

MR. USKIW: The Chairman of the Commission advises me that the payments were made about ten days after delivery.

MR. BANMAN: So I wonder if the Minister could then tell us what time period we had our \$576,000 invested in that cash crop?

MR. USKIW: That's the total for the two crops, the two years. The largest amount was in the last year just ended, the first year was a very small amount of production. Last year we produced the bulk of it: the year 1976 produced the bulk of the production, a thousand tons the year just ended and five hundred tons the year earlier.

MR. BANMAN: So it would be fair to say that roughly we could add about \$50,000 worth of interest on top of there.

MR. USKIW: Mr. Chairman, it would depend on the date, I suppose, and the time period that the initial moneys were advanced to pay producers and so on, and the storage costs came at the end of the crop year.

MR. BANMAN: Another question to the Minister. I wonder if the Department of Agriculture contacted the Department of Industry and Commerce through their Manitrade Division and asked

them if they would try and sell this particular commodity for them? The Department of Industry and Commerce has a Manitrade group which was set up a number of years ago to export and sell Manitoba products abroad and I wonder if the Department of Agriculture talked to them at all about it?

MR. USKIW: Mr. Chairman, the Department of Agriculture has a Marketing Branch of its own which was involved in the development of this particular proposal initially and were involved in the negotiations for the sale, initially.

MR. BANMAN: So that as far as agricultural commodities are concerned, the marketing of that, whether it be in the United States or abroad, is done by the Department itself?

MR. USKIW: And the Marketing Commission. The beans are the product of the Marketing Commission.

MR. BANMAN: There is no liaison or any contact at all with the Manitrade Division of Industry and Commerce?

MR. USKIW: Mr. Chairman, the Director of our Marketing Branch is . . . well, he is now on staff with Manitrade and they work together. He was also on this Commission, still is.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I just can't give up the occasion to — as the Minister knows, I do search out those occasions where we are on common ground and I certainly would have to agree with his statement that he made just a little while ago that thanks to the sales that have been made with respect to our cereal crops, wheat and the rest to the countries that he mentioned, the U.S.S.R. and China, that it to a large extent has spelled the success of our export position with respect to these grains — (Interjection) — That's right and I couldn't agree with the Honourable Minister more, except of course, Sir, that I would have to point out that despite the blessing that these countries have of possibly far greater agricultural resources in terms of land, the blessings of stay-option programs if you like, enforced as they may be in those countries, of having many more people involved in the industry that practise supply and management to its zenith degree — a program by the way the Minister wishes to impose upon us, that it is the *laissez-faire* of North American agricultural economy that has been in a position to in fact supply the shortfalls of these agricultural economies in the past number of years, to our blessing and to our advantage.

MR. CHAIRMAN: Resolution 14(c). The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, before we get off this subject, my colleague from Lakeside was talking about the sale to Cuba and the Minister mentioned sales of wheat to Russia and China. To my knowledge we have never subsidized those two countries, but I think the point my colleague from Lakeside was making was the subsidization of this particular commodity that was grown in Manitoba and paid for by the taxpayers and I think there is a big difference.

The other thing I wanted to ask, Mr. Chairman, and I was out for a few moments, I don't think it was mentioned. I was wondering how much work has been done in exploring the black beans as to the diet in Canada or the United States and I'm wondering if anything was done along those lines before they resorted to going over to Cuba to find out how the Cubans would like our black beans?

MR. USKIW: Mr. Chairman, it's really amusing to listen to the opposition on this question because they keep suggesting that there is some sort of subsidy to the Cubans. There isn't one penny of subsidy to the Cubans. The Cubans paid us the world-going market price; we didn't sell below the market price whatever. Wherein lies the subsidy to the Cubans? If there's any subsidy, it's to the producers of Manitoba who were introducing a new crop under a research marketing arrangement. That is the subsidy. There's no subsidy to Cuba whatever.

Now, with respect to the sales of cereal grains to Russia and China, we have subsidized cereal grain producers in this country many times, many times, from the taxpayers' pockets of this country. Even the Province of Manitoba has, through acreage payments, subsidized cereal grain producers who were in dire straits a few years ago. So let's not talk a lot of nonsense, Mr. Chairman, because the whole thing just doesn't fit. If there is any subsidy here, it was to the producer of beans, not to the country of Cuba. The Cubans paid us the top market price at this particular time.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. GEORGE MINAKER: Mr. Chairman, through you to the Honourable Minister of Agriculture, if the Honourable Minister raised potatoes on his farm that cost him \$3.00 a bushel, and he sold it to his neighbour for \$2.00 a bushel, would he be subsidizing his neighbour to a dollar a bushel?

MR. USKIW: No, if my neighbour could buy potatoes of the same quality and same size at that price from anybody else, then I would not be subsidizing my neighbour.

MR. MINAKER: Mr. Chairman, with all due respect to the Honourable Minister of Agriculture, I hope that he never, ever runs my business.

MR. USKIW: Mr. Chairman, I would like to know how the Member for St. James could presume to sell above the market at any time? If he's got a magic solution to that one, then I would suggest to him that he might give us some advice at this point in time on how you can get more than the market is, at any time?

MR. CHAIRMAN: Resolution 14(c). The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, the Minister got wound up on the first comment I made and I wonder if he could answer the second question that I posed to him. I ask him, what research was done in exploring our home market in Canada or the United States before they resorted to going to Cuba on those black beans?

MR. USKIW: There were some \$78,000 worth of beans sold in Canada, in the United States, and in a promotional program here, in total.

MR. EINARSON: The Minister says \$78,000 worth that were sold, then having used that amount of black beans, could the Minister indicate what results or what kind of a report did he get back as to . . . were they satisfactory insofar as a diet in this country was concerned?

MR. USKIW: Mr. Chairman, it's something that you don't develop overnight, to introduce a new dish to Canadians is no small matter and to measure how many housewives are now going to ask for black beans in the supermarket is something that I'm unable to undertake. We had a number of promotion programs through the retail system in Manitoba but it's very difficult to measure that at this stage. It certainly is not a Canadian dish; it is a Latin dish.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Well then, Mr. Chairman, I think I got the answer from the final comment the Minister made. It is as he says, then it's not a Canadian dish, it's a Latin dish. That's really what I was wanting to find out.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Chairman. In the discussions that the Minister had with Cuba, I wonder if he could give us any indication that if a contract should be formalized with Cuba as to what price range we could be expecting for the black beans.

MR. USKIW: This is the very point. We suggested that there be a floor price and a ceiling price arrangement so that if the market is low, we have some protection here, and if it's too high, as it was two years ago the market was 38 cents a pound when we first started the project and now it's down to 15 or 16 cents or whatever, or 13.5 cents is the world market on black beans right now. So at that time it was almost three times as high. If we had a contract with a floor and a ceiling, we would be happy with proposing to our producers that they enter into it, knowing that their gamble is in between those two figures. But it would be their gamble from this point on. It would not involve the Treasury of the province.

MR. DEPUTY CHAIRMAN: Resolution 14 (c) — pass. Resolution 14, Resolved that there be granted to Her Majesty a sum not exceeding \$455,800 for agriculture — pass. Resolution 15, Technical Studies, (a) Regional Division, (1) Salaries — pass. The Honourable Member for Virden.

MR. MORRIS MCGREGOR: This is where the Farm Machine Board and its operation would come in in this area?

MR. USKIW: Yes, yes.

MR. MCGREGOR: Well, probably my question has been over the years the Farm Machine Board has been pretty effective in some areas but in other areas, maybe not quite so effective. In other words, I think they are fairly tough on the dealer but possibly not on the manufacturers, be it in Calgary or be it in Lachine, Wisconsin. And I know over the years people get hung up with a tractor that's broken down.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, I am wondering whether I wouldn't ' draw to the attention of the Member for Morris that we should really get down to 8 (b) before we discuss this.

MR. MCGREGOR: That's what I asked earlier. Okay, I'll wait.

MR. USKIW: We're in the Regional Division now, which is the delivery end of our program.

Resolution 15 (a) (1) — - pass. The Honourable Member for St. James.

MR. MINAKER: I thought it was ten for a quorum.

MR. USKIW: The purpose of a quorum is to convene the meeting unless there's a vote. That's my understanding.

MR. MINAKER: I wonder, Mr. Chairman, could I have the information that if there was five at the table, that would be adequate to conduct this meeting as long as we didn't have a vote?

The Chair is under the impression that ten members constitute a quorum and such a number should be present at all times. There is provision made within the rules for the House to rise when a quorum is not present and brought to the Speaker's attention. I presume the same rule applies in committee.

Resolution 15(a)(1) — pass. 15(a)(2) — pass. 15(a) — pass. Resolution 15 (b), Technical Services Branch, (1) Salaries. The Honourable Member for Virden.

MR. MCGREGOR: I'll carry on where I left off. The problem does seem that when this Farm Machinery Board does get on it, they get pretty fast action as I certainly could show many examples for. But the problem does seem to be when the local dealer that's got a tractor broken down and wants parts, the parts are laying in a shop somewhere and generally one call to the Farm Machine

Board does indeed raise it if it is here. But if the problem is further down or the machine is manufactured, it's entirely different. In other words, the Farm Machine Board does seem to have swat within the local dealer within the province but beyond they have very little power and this does seem to be a problem. And I don't want them to have any more power because regarding warranties and stuff, this is something I think especially a farmer, he works up his own warranty and his own respect from his dealer and he doesn't need it, whether it's a two-year or three-year warranty, it's never really affected me in my operation. I've got most of the things if my credit is with it. The question is: What is the Minister intending to do to strengthen this particular problem? When it's in the summertime, how many tractors are laying there for weeks and weeks, sometimes it's brought to my attention and it's got on to the board and immediately that afternoon the parts are on the way to the particular repair shop.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, I'm advised that the board has had fairly extensive dealings with dealers and with manufacturers and beyond the borders of this province and indeed this country and has co-opted the other two Farm Machinery Boards to the west of us in joint approaches to manufacturers trying to solve problems and so on. There is a fairly broad approach undertaken by the board for the protection of farmers, dealers, and in fact the companies too. It's not a biased board as far as we're concerned.

MR. MCGREGOR: No, Mr. Chairman, I've been more than satisfied. As an example a couple of pieces from a small line operated out of Calgary that I was fighting with my dealer for the third year and he was saying, "Well it hasn't been done, it hasn't been done," until I got fed up and I dropped a line to the Farm Machine Board and within two weeks or three weeks — it was a time out of season so there was no rush — they came. There was other parts of that machine that were called and all rectified only because I took a personal attack at this. My neighbours are sitting with the same weaknesses on the same machine. Unless I carry that on through the board, their machines are going to have this weakness. And I say in that case the board did its job and I respect them for it.

MR. DEPUTY CHAIRMAN: Resolution 15 (b). The Honourable Member for Ste. Rose.

MR. A. R. ADAM: Thank you, Mr. Chairman. I would like to ask the Minister if he could advise us how many farmers have taken advantage of the rural water services and how much subsidy has been given out under this program, to Manitoba farmers.

MR. USKIW: Mr. Chairman, that's the next item so . . . next page.

MR. ADAM: Sorry.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Chairman. I was just wondering whether the licensing of insecticides would be coming under this particular area.

MR. USKIW: Yes, under this department. Now let's see. Yes, under Technical Services.

MR. BROWN: I would like to draw to the Minister's attention that Phosvel has been banned from use in agriculture. This is a chemical that controls cutworms. This of course is very important as far as sugar beets, as far as sunflowers, peas, and all those crops really that are susceptible to cutworm. There is no chemical available at the present time to replace Phosvel and I am wondering whether the Minister is aware of this and whether he has expressed concern to the proper authorities that either they provide us with another chemical for control of cutworm or that they would continue the use of Phosvel until such a time as another chemical could be forwarded.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, I really am not familiar with the chemical mentioned nor the reason for removing it from the list, but I presume it must be harmful to the public or it would not have been removed. You know it is very difficult for me to put forward an argument that we continue the use of harmful chemicals if in fact it is determined that they are indeed harmful. I find I have to be very reluctant to make that kind of a submission.

MR. BROWN: My understanding is that the only harm that Phosvel created occurred in the plant where they were manufacturing Phosvel. They had a spillage of Phosvel over there and it was not cleaned up and the workers were working in this condition for a number of days and some harm was detected. But actually no harmful side effects have been detected in any of the crops of the crops produced. Now this is rather important, I would say, to the Department of Agriculture because this could mean that a large portion of your sugar beets could be wiped out, a large portion of your sunflower crop could be wiped out. This of course would be pretty hard on the agricultural insurance that we do have.

MR. USKIW: I am advised, Mr. Chairman, that there have been complaints about workers who have come in contact with the product by simply working in the fields after the product was applied or even applicators have had problems. So that there appears to be ample justification for the move to remove this chemical. And it is of course the Government of Canada that has this jurisdiction. We really have no control of that.

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MR. BROWN: I realize that, Mr. Chairman, that the Federal Government controls chemicals, but at the same time, before something like this is removed, we would like to see something to replace it. I think that this is the argument that we are presenting. At the present time, there seems to be nothing that is going to replace this chemical and it could have very serious effects on some of these crops that I mentioned. So maybe we could have a continuation of Phosvel for let's say for another year or at least until such a time as another chemical comes on the market. I believe that the Federal Government then also has that duty to see that another chemical could replace Phosvel.

MR. USKIW: I'm advised that there is another chemical on the market at the moment. Now I don't know what it is but I am advised there is a substitute.

MR. BROWN: I've been following this pretty carefully because I'm directly affected by this and there is nothing on the market that has been licensed in Canada. Now if the Minister would make an appeal to get this other chemical licensed, I believe that this would be quite satisfactory.

MR. USKIW: Mr. Chairman, we have to take that under consideration.

MR. DEPUTY CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: I wonder if this wouldn't be an appropriate time to suggest that the Committee rise.

MR. USKIW: Mr. Chairman, I would like to know before we do whether the other Committee is also going to rise.

MR. ENNS: Yes.

MR. USKIW: If they are, then I have no objection; if they are not, we might as well.

MR. ENNS: It's my understanding, Mr. Minister. I just left the other Committee and they are contemplating the same action.

MR. DEPUTY CHAIRMAN: The Committee rise.

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

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

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for St. Vital.

MR. WALDING: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable the Acting House Leader.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Education, that the House do now adjourn.

MOTION presented and carried and the House adjourned until 2:30 Tuesday afternoon.