



**Fifth Session — Thirty-First Legislature**  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

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30 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty - First Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
ADAM, A. R. (Pete)	Ste. Rose	NDP
ANDERSON, Bob	Springfield	PC
BANMAN, Hon. Robert (Bob)	La Verendrye	PC
BARROW, Tom	Flin Flon	NDP
BLAKE, David	Minnedosa	PC
BOSTROM, Harvey	Rupertsland	NDP
BOYCE, J. R. (Bud)	Winnipeg Centre	Prog.
BROWN, Arnold	Rhineland	PC
CHERNIACK, Q.C., Saul	St. Johns	NDP
CORRIN, Brian	Wellington	NDP
COSENS, Hon. Keith A.	Gimli	PC
COWAN, Jay	Churchill	NDP
CRAIK, Hon. Donald W.	Riel	PC
DESJARDINS, Laurent L.	St. Boniface	NDP
DOERN, Russell	Elmwood	NDP
DOMINO, Len	St. Matthews	PC
DOWNEY, Hon. Jim	Arthur	PC
DRIEDGER, Albert	Emerson	PC
EINARSON, Henry J.	Rock Lake	PC
ENNS, Hon. Harry J.	Lakeside	PC
EVANS, Leonard S.	Brandon East	NDP
FERGUSON, James R.	Gladstone	PC
FILMON, Hon. Gary	River Heights	PC
FOX, Peter	Kildonan	NDP
GALBRAITH, Jim	Dauphin	PC
GOURLAY, Hon. Doug	Swan River	PC
GRAHAM, Hon. Harry E.	Birtle-Russell	PC
GREEN, Q.C., Sidney	Inkster	Prog.
HANUSCHAK, Ben	Burrows	Prog.
HYDE, Lloyd G.	Portage la Prairie	PC
JENKINS, William	Logan	NDP
JOHNSTON, Hon. J. Frank	Sturgeon Creek	PC
JORGENSON, Hon. Warner H.	Morris	PC
KOVNATS, Abe	Radisson	PC
LYON, Hon. Sterling R.	Charleswood	PC
MacMASTER, Hon. Ken	Thompson	PC
MALINOWSKI, Donald	Point Douglas	NDP
McBRYDE, Ronald	The Pas	NDP
McGILL, Hon. Edward	Brandon West	PC
McGREGOR, Morris	Virden	PC
McKENZIE, J. Wally	Roblin	PC
MERCIER, Q.C., Hon. Gerald W. J.	Osborne	PC
MILLER, Saul A.	Seven Oaks	NDP
MINAKER, Hon. George	St. James	PC
ORCHARD, Hon. Donald	Pembina	PC
PARASIUK, Wilson	Transcona	NDP
PAWLEY, Q.C., Howard	Selkirk	NDP
PRICE, Hon. Norma	Assiniboia	PC
RANSOM, Hon. Brian	Souris-Killarney	PC
SCHROEDER, Vic	Rossmere	NDP
SHERMAN, Hon. L. R. (Bud)	Fort Garry	PC
STEEN, Warren	Crescentwood	PC
URUSKI, Billie	St. George	NDP
USKIW, Samuel	Lac du Bonnet	NDP
WALDING, D. James	St. Vital	NDP
WESTBURY, June	Fort Rouge	Lib
WILSON, Robert G.	Wolseley	Ind

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Monday, 27 April, 1981**

**Time — 2:00 p.m.**

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

**INTRODUCTION OF BILLS**

**HON. JAMES E. DOWNEY (Arthur)** introduced Bill No. 58, An Act to amend The Agricultural Lands Protection Act.

**HON. BRIAN RANSOM (Souris-Killarney)** introduced Bill No. 59, The Statute Law Amendment (Taxation) Act (1981). (Recommended by His Honour, the Lieutenant-Governor)

**INTRODUCTION OF GUESTS**

**MR. SPEAKER:** At this time I should like to draw the honourable members' attention to the gallery where we have 30 students of Grades 5 and 6 standing from Van Belleghem School under the direction of Ms. Donna Wicks. This school is in the constituency of the Honourable Minister of Energy and Mines.

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

**ORAL QUESTIONS**

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

**MR. SAUL CHERNIACK:** Thank you, Mr. Speaker. I'd like to address a question to the Honourable Attorney-General and ask him whether Manitoba was represented at the Supreme Court hearing of an appeal from the Supreme Court of British Columbia dealing with the jurisdiction of the Provincial Family Court on the question of custody, restraining order and sole occupancy of the matrimonial home.

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

**HON. GERALD W.J. MERCIER (Osborne):** Yes, Mr. Speaker.

**MR. CHERNIACK:** Would the Honourable Minister indicate whether in his opinion it was necessary and if indeed he has made any preparatory provision for taking care of the situation that may well arise if the decision of the Supreme Court is adverse to the jurisdiction of the Family Court?

**MR. MERCIER:** Mr. Speaker, I have instructed my department to prepare a plan of action which could be undertaken in the event of an adverse decision to the Province of British Columbia which would have

implications for this province and I believe all other provinces.

**MR. CHERNIACK:** Mr. Speaker, to the Honourable Attorney-General. In view of the fact that he took the position, which I believe was the same position as that of the previous government of Manitoba, that the Federal Government should retain the jurisdiction on divorce and matrimonial causes, I believe the only province to do so as compared to all the others which wished the transfer to take place, whether under those circumstances assuming that transfer will not take place, assuming that the Supreme Court is opposed to the . . . Mr. Speaker, . . .

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

**MR. CHERNIACK:** If you let me finish I will take care of the assumption. I'm sure the Honourable Minister will recognize that when you prepare for certain actions one does make certain assumptions — and he's already indicated that — whether or not he would not consider the possibility that the ruling may come after the Legislature adjourns and whether therefore it would not be essential that either the Legislature will have to be called into session on such an important matter or whether it would not be possible now to be ready with legislation to be brought in before the end of this session?

**MR. MERCIER:** Mr. Speaker, in my review of this matter to date with the department on the assumption that the Supreme Court would rule against the position taken by the Province of British Columbia and other provinces including ourselves, the subject of a legislative change by this Assembly has not arisen to date. Up until now I've not seen demonstrated to me any suggestion that a legislative change would be necessary.

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

**MR. SIDNEY GREEN:** Yes, Mr. Speaker, I too would like to direct a question to the Honourable Attorney-General. Has the Honourable Attorney-General had an opportunity of looking at that case in the Province of Alberta whereby it was held that compulsory seat legislation, in Alberta, passed by the Alberta Legislature, was ruled invalid as being contrary to The Bill of Rights of the Province of Alberta?

**MR. MERCIER:** Mr. Speaker, I've not seen the judgment itself, I've only perused the newspaper reports.

**MR. GREEN:** Mr. Speaker, I'd like to direct a further question to the Attorney-General. If the Honourable Attorney-General would view that decision, would he also consider if a Charter of Rights such as is now being proposed — I should say a charter taking away rights — and being considered by the Supreme Court of Canada, would that kind of Charter make seat belt and helmet legislation passed by any

legislature in the provinces in Canada, ultra vires, as being contrary to the Charter of Rights? Would he consider that?

**MR. MERCIER:** Yes, Mr. Speaker, that is quite possible. I have had an opportunity to have reviewed by my department a report from the Province of Quebec, in which they hired a firm of solicitors to review very quickly the Statutes of the Province of Quebec. The lawyers' report indicated that if the Charter of Rights were brought into force in Canada it would probably mean at least some 142 changes in the Statutes of the Province of Quebec. We have reviewed that, not in depth because we simply haven't had time nor the staff to do that to date in Manitoba, but I suspect that we would be facing legislative changes in that order in the Province of Manitoba.

**MR. SPEAKER:** The Honourable Member for Inkster with a final supplementary.

**MR. GREEN:** Yes, Mr. Speaker, a final supplementary. If there were legislation requiring compulsory seat belts and requiring compulsory helmets — which I happen to disagree with but which some people who advocate a Charter of Rights have been pursuing in this House — and it was held ultra vires by virtue of being contrary of a Charter of Rights which then came into existence, would it not then be necessary to get the Senate, the House of Commons and six provinces, including both Ontario and Quebec and some in these regions, to pass a constitutional amendment in order to make such legislation possible in a provincial Legislature?

**MR. MERCIER:** The answer is yes, Mr. Speaker, and what the Member for Inkster did not refer to — although I believe he is aware of it — the Charter of Rights would enable the court not only to declare that the Province of Manitoba, for example, did not have the authority to pass such a statute but also would give the court the power to impose a remedy upon the province and this Legislature.

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

**MR. JAY COWAN:** Thank you, Mr. Speaker. My question is to the Minister responsible for Economic Development and Tourism. I ask the Minister if he can indicate what action his department will be taking in respect to the anticipated increases in tourism and visits by tourists to the community of Churchill in the next year? I would ask him specifically if he is prepared to put in place an employee of his department to reside and to work in Churchill on a full-time position at least during the tourist season so that they can have a more coordinated approach to promoting that particular area for increased tourism business in the future?

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

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** Mr. Speaker, the department has been working very well with the group in Churchill who put out this marvellous book on Churchill and we assisted them to do it last year.

They had 4,000 visitors in Churchill in 1979; they had 6,664 actual I believe in 1980 and they're anticipating 10,000 this year, Mr. Speaker. We have an Assistant Deputy Minister on the Board of Directors of the VIA Rail Tourist Group who work with VIA Rail Tours to Churchill continually, Mr. Speaker, and the gentleman with the Chamber of Commerce in Churchill who is in charge of their tourism promotion was in my office this morning talking to me about the very same thing. Instead of doing a lot of talking about it we are getting things done, Mr. Speaker.

**MR. COWAN:** The Minister suggests that they are doing a number of things. I ask him in specific, are they prepared to make a commitment to put in place an employee of the department in the community of Churchill in order to help promote tourism and in order to help the entrepreneurs in that community and the community at large who are wishing to promote that industry in their own area? Is he prepared to make that commitment now rather than give us a bunch of talk which is about all he has done in the past in respect to promoting tourism in Northern Manitoba?

**MR. JOHNSTON:** Mr. Speaker, the gentleman who was in my office this morning from Churchill didn't even make that request as definite as the Member for Churchill did. He had more common sense and said, could we discuss it and work together to see what we're going to do.

**MR. SPEAKER:** The Honourable Member for Churchill with a final supplementary.

**MR. COWAN:** I'm not privy to the conversations that the Minister has in his private office but I can assure him that the people of Churchill would like to see a commitment forthcoming from the Minister at this time in respect to that very simple request. Is the Minister prepared to make a commitment to put in place an officer in that community that will in fact help the local community develop tourism . . .

**MR. SPEAKER:** Order, order please. The question is repetitive.  
The Honourable Minister.

**MR. JOHNSTON:** Mr. Speaker, I'm prepared to work with the people of Churchill who know what they're talking about, to do the best thing for tourism in Churchill and we will continue to work with them.

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

**MS. JUNE WESTBURY:** Thank you, Mr. Speaker. My question is addressed to the Honourable Minister of Health. I'd like to ask the Minister — Mr. Speaker, this refers to a statement from the Chairman of the Manitoba Medical Association's V.D. Committee in reaction to the provincial health department's annual report — what steps is the Minister taking to ensure that VD cases are not going undetected unnecessarily because of the staff shortage?

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

**HON. L.R. (BUD) SHERMAN (Fort Garry):** Mr. Speaker, last year we introduced a system under

which doctors are compensated in the amount of \$4.00 for each case they report. Each individual report of each individual case is chargeable to the Commission at a \$4.00 fee and that has had a significant benefit in terms of the numbers of cases being reported. In addition to that, we do have an intensive watch maintained through the Venereal Disease Control Branch of our Public Health Division and considerable input from the private medical sector, that is the medical profession outside the department. I think that it is producing some measurable results and significant results, Mr. Speaker, but it is always a difficult problem to get at. We never know whether we're much beyond the tip of the iceberg in that particular area.

**MS. WESTBURY:** Mr. Speaker, I wonder if the Minister is having the department study the necessity, as described by some of the experts in the health field, to have the reporting of Herpes under The Public Health Act, Mr. Speaker, in view of the fact that it can seriously affect new born babies and that it's been linked to cervical cancer in women.

**MR. SHERMAN:** I can't confirm that is being pursued in a manner described by the Honourable Member for Fort Rouge, Mr. Speaker, but there is great concern in the profession and in my department over the prevalence of Herpes and certainly the Venereal Disease Branch of the department, the Epidemiological Branch of the department in the division of Public Health are maintaining a very careful surveillance and count of reported herpes cases. The medical profession has been very keenly alerted to the expanding prevalence of this particular disease in recent months, particularly in the last two or three years, and we are attempting to maintain a very close watch on it. I can explore that question in the context in which it's been put by the Member for Fort Rouge further, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Fort Rouge with a final supplementary.

**MS. WESTBURY:** Mr. Speaker, the Director of the Manitoba Medical Association's VD Committee also referred to the difficulty in obtaining reports from rural areas and the fact that the cultures can only live for about 24 hours and cannot be frozen. I wonder if the Minister will be able to report to the House quite shortly on whether better arrangements are being taken to allow these cultures to reach the laboratories in time for treatment to be effected in the rural areas, Mr. Speaker.

**MR. SHERMAN:** The only thing we can do is what we're doing, Mr. Speaker, continue in consultation with the medical profession on this problem. There are difficulties in terms of follow through by doctors detecting cases. There are often difficulties in having the cultures and other evidence processed by labs and the communication between laboratories. It's an ongoing challenge that we face in the field. The only remedy we have for it is continual communication with the profession on the subject.

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

**MR. WILSON PARASIUK:** Thank you, Mr. Speaker, my question is directed to the Attorney-General. On April 16th, a young boy in the north part of Winnipeg died as the tragic consequence of a homemade rocket exploding causing damages to him and then he died as a result of those injuries. Has the Attorney-General requested a report under The Fatalities Inquiry Investigation Act or is he going to ask for an inquest into this death?

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

**MR. MERCIER:** Mr. Speaker, I'll take that question as notice and enquire into whether or not there is a fatality inquest contemplated by the department in that matter.

**MR. PARASIUK:** I have a supplementary to the Minister of Health on the same question, Mr. Speaker. My question to the Minister is, has his department been able to inform him of why it was that this young boy was first taken to the Seven Oaks Hospital and then had to be taken further to the Health Sciences Centre in the centre of Winnipeg? I've received a number of inquiries from people in the north end who are wondering whether in fact Seven Oaks Hospital is actually fully operational or whether in fact it's a hospital that is fully equipped but insufficiently staffed to handle emergency situations as the one that arose on April 16th.

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

**MR. SHERMAN:** The answer, Mr. Speaker, is that it's not fully operational, nor will it be fully operational till April 1st, 1982. It's being phased in; there are a certain number of medical and surgical beds, psychiatric beds and others that have been phased in but the total complement of the hospital, which is 336 beds, has not by any means been attained or been reached yet. About one-third of the beds are in place, occupied and fully staffed. By April 1st, 1982 it is the intention to have the hospital fully operative at the 336-bed level. This would have some bearing, some effect on the size and volume of patient care which the emergency department is able to accommodate at the present time, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Transcona with a final supplementary.

**MR. PARASIUK:** In view of the fact that ambulances are required by a government directive to take an emergency patient to the nearest hospital, and in view of the fact that that's the general action on the part of the citizens, will the Minister communicate to the ambulances in Winnipeg the fact that at present the Seven Oaks Hospital may not be fully operational and that as a result ambulances possibly could consider taking people directly to a fully-functioning hospital in Winnipeg in the event of an emergency so that we don't have the possibility that a person's life may have been lost because a person was taken to a hospital which has been announced as open but as yet is not fully functioning, Mr. Speaker?

**MR. SHERMAN:** Well, Mr. Speaker, I'll certainly investigate that. The ambulance system works on a

central dispatch basis and on codes which interpret to them the nearest available emergency department capable of coping with the patient that they are transporting and I would think that in the case referred to by the Honourable Member for Transcona that there probably were extenuating circumstances which resulted in the cross transfer or the further transfer of that patient, but I'll certainly explore the issue that he has raised in his question.

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

**MR. CHERNIACK:** Mr. Speaker, I'd like to address a question to the Minister of Finance and refer him to the Throne Speech, a sentence of which reads, "My Ministers will be monitoring the effects of high interest rates on the small business sector." In view of the fact that the Bank of Canada rate has now reached the highest ever, would the government take under consideration the advisability of stopping their monitoring?

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

**MR. RANSOM:** Mr. Speaker, I'm not sure that that was a serious question from the Member from St. Johns because if he wants the government to ignore the impact that high interest rates are having on the business people, the farmers of Manitoba then so be it; that's not the position of the government.

**MR. CHERNIACK:** In view of the fact that the government has not done anything apparent in relation and as a result of its monitoring of high interest rates and the help that is desperately needed, especially by the small businessman and the agricultural element in relation to these highest interest rates ever, is the government prepared to announce a program which will indeed cope, to the extent that a province can cope, with the question of high interest rates as they do affect the small businessman, the agricultural industry, and the consumers?

**MR. RANSOM:** Mr. Speaker, we have taken action over the past three-and-a-half years to help the sectors of the economy that the member refers to, such as reducing the income tax rate on small business from 13, I believe, down to 11 percent. We have stopped intervening in the agricultural sector and have removed such taxes as succession duties and the mineral acreage tax. Those are the sorts of things, Mr. Speaker, that are within the power of the province to do something to help those sectors. Beyond that, Mr. Speaker, we are quite aware of the impact that interest rates have, as I'm sure the members opposite are.

We have been attempting to engage the Federal Government in meaningful discussion for several months now; to have the Federal Minister of Finance sit down with all the Provincial Ministers of Finance to discuss the different sorts of impacts that those rates might have in different parts of the country and to see what might be done at the federal level. We have been unable to get the Federal Government to sit down and discuss those matters. I'm hopeful now, Mr. Speaker, that perhaps there was an indication

from the Prime Minister on television on Friday night, I believe it was, that he felt that it was necessary for the provinces and the Federal Government to sit down together at last to try and deal with some of these pressing questions that now face the country.

**MR. SPEAKER:** The Honourable Member for St. Johns with a final supplementary.

**MR. CHERNIACK:** Mr. Speaker, in view of the fact that the government has reduced ability to pay taxes, progressive taxes, based on person's income and in view of the fact that these reductions in no way relate to the high increase in interest rates which are forcing bankruptcies and other difficulties of a financial nature amongst people of Manitoba, and in view of the fact that the monitoring "has done absolutely nothing to assist these people," is the government prepared at long last to consider and to bring in measures of a nature such as debt adjustment of subsidies or loans in relation to interest rates for those people who are suffering from the high interest rates, rather than complain about the lack of co-operation from the Federal Government?

**MR. RANSOM:** Mr. Speaker, the Member for St. Johns seems to have overlooked the nature of the corporate capital tax, for instance, which is certainly not a tax that is related to the ability of a business to pay. Mr. Speaker, they also have been critical, of course, of the grants that the Small Enterprise Development Corporation Program has been making to small businesses in Manitoba. We feel that the question of interest rates has to be addressed primarily by the level of government which has responsibility for interest rates. We are prepared to assist industry and agriculture as we did assist the agricultural industry last year when drought struck. Drought was something that was beyond the control of government, beyond the influence of government. Under those circumstances it is the responsibility of a government such as ours to step in and do something. The interest rate situation is not analogous to the problem that we faced last year, Mr. Speaker. It is a problem of tremendous magnitude that is probably beyond the resources of any provincial government to attempt to swim against the grain of the forces that are working to raise high interest rates. The program, for instance, which is in place in Saskatchewan probably has virtually no measurable impact on small business and agriculture in that province.

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

**MR. HOWARD PAWLEY (Selkirk):** Mr. Speaker, the Minister makes reference to the program in Saskatchewan. I would be interested if the Minister indeed has studied and has received a report pertaining to that program. The question to the Minister: In view of the rather indeed quite ineffective program of the Minister of Economic Development pertaining to the Grant Forgiveness Program, which has been one of the most ineffective programs in the Province of Manitoba pertaining to the small business community, can the Minister advise if he's not satisfied with the Saskatchewan

program, if he indeed has informed himself on the Manitoba Enterprises Program, whether he would be prepared to examine some variation of the Saskatchewan program to meet the Manitoba need pertaining to the small business community in this province rather than to persistently indicate that he's simply monitoring — not prepared to swim against the tide, but is he prepared to provide some leadership in the Province of Manitoba pertaining to assisting the small business community?

**MR. RANSOM:** It's reassuring to hear the concern that the members opposite now have for small business, Mr. Speaker, after the way they treated that sector of the economy during their eight years of government.

Some months ago the Leader of the Opposition was advocating something similar to the Saskatchewan program, Mr. Speaker. That program I believe gave something like up to \$500 of assistance over a period of three years, Mr. Speaker. Most of the people in Saskatchewan have found that it wasn't worth the paper, it wasn't worth the effort that it took to fill out an application for that program. Now that may have some sort of benefit from the perspective or the perception of trying to do something but, Mr. Speaker, I tell you it has not done anything significant. The significant place where action can be taken is at the level of the Federal Government and we will continue to press . . .

**MR. SPEAKER:** Order please. We can't have this continual interjection going on while members are speaking.

The Honourable Minister of Finance.

**MR. RANSOM:** Thank you, Mr. Speaker. I've become accustomed to the interjections by the Member for St. Boniface. We will continue, Mr. Speaker, to try and get the Federal Government to sit down with all 10 provinces to discuss that question among many other serious economic questions that face the country and the provinces today.

**MR. PAWLEY:** Mr. Speaker, further to the Minister. The Minister made reference to analysis pertaining to alleged ineffectiveness of the Saskatchewan program. Mr. Speaker, I'm interested in whether or not the Minister has demonstrated the same sort of conscientious review of the rather useless program that's being promoted by the Minister of Economic Development pertaining to the Manitoba Enterprises Program. Is the Minister now prepared to acknowledge that program? —(Interjection)—

**MR. SPEAKER:** Order, order please. I find it very difficult to hear with the constant interjections.

The Honourable Leader of the Opposition.

**MR. PAWLEY:** . . . indeed has created very few additional jobs; has contributed not one zilch towards minimizing the impact of rising interest rates upon the Manitoba business community and indeed that program presently is under review by his government to bring about some revamp program that will provide some form of decisive direction pertaining to the small business community in Manitoba?

**MR. RANSOM:** Mr. Speaker, all programs that are undertaken by this government are reviewed for their effectiveness from time to time.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** Several weeks ago I asked the Minister of Economic Development whether he could advise if the Edson Manufacturing Company of Rivers, Manitoba, was going to indeed lay off 70 people in May in accordance with a report from that company. I raised it again last week and the Minister said he hoped to have an answer for us soon. I wonder therefore, Mr. Speaker, if the Minister could advise whether there will be a closure of this recreational vehicle industry in the Town of Rivers, or at the industrial base Oo-Za-We-Kwun near Rivers.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MR. RANSOM:** Mr. Speaker, Edson will be closing in Rivers — the company that presently owns them, Marr's Vehicles, they will be closing but at the present time, there's a group of people, one being the present manager of the organization, who are trying to put a group of people together, himself and some of the dealers who have been handling the product, to try and take over the business in Rivers and bring the business down to a size that it will operate efficiently while they are going through the problems of the recreational vehicle industry.

Our department has been in very close contact with that group. They have made applications to different government assistance that might be available to them and we're hoping that they will be able to take the business over and operate it on a smaller scale.

**MR. EVANS:** I thank the Honourable Minister for that information, Mr. Speaker. I wonder if he could advise how many workers may be affected by this closure that he just told us of.

**MR. RANSOM:** Mr. Speaker, I'm not able to say how many workers would be affected by the closure. If the arrangements that are trying to be made to take over and operate the plant on a smaller scale certainly there will be some more employees kept on; if the arrangements cannot be made, Mr. Speaker, the plant will close — I'm not sure of the number — if the member believes there's 72, the plant would close and there would be 72 people.

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

**MR. PETER FOX:** Yes, Mr. Speaker, my question is addressed to the House Leader. I wonder in view of the fact that the last time we asked him how many more bills were to come he said about 10 or 12 — and we've had more than that now — whether he can indicate now how many we are still to receive.

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

**MR. MERCIER:** Mr. Speaker, I would say to the Opposition House Leader, my reference to

approximately 30 bills was to government bills, not to private members' bills. I will, Mr. Speaker, in order to be as accurate as possible, take the question as notice to find out the exact status of the number of bills at the printer's and advise the Opposition House Leader tomorrow as to the exact number of bills that are forthcoming.

**MR. FOX:** Mr. Speaker, my other question is also to the Attorney-General. In view of the fact that the Honourable Minister of Agriculture is taking two years to make a decision in respect to an Order for Return, I wonder if he could lend some of his staff as assistants to the Minister so he could make a decision and return that Order for Return, which was ordered by this House two years ago.

**MR. MERCIER:** Mr. Speaker, I appreciate the respect that the Opposition House Leader has for my influence in agricultural matters and I will undertake to speak to him.

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

**MR. J. WALLY MCKENZIE:** Thank you, Mr. Speaker, the same type of question as from the Honourable Member for Kildonan, I wonder if the Attorney-General will look up that Order for Return of mine — I think it's about seven years — and I'm still waiting for it.

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

**MR. COWAN:** Thank you, Mr. Speaker, my question is to the Minister of the Environment. I would ask the Minister what action his department is taking in respect to the publication of a list of 89 chemicals which were tested by Industrial Bio-Test Laboratories; that laboratory was found later to have performed tests which were incomplete and which falsified results. The question specifically is what action will he be taking in respect to protecting Manitoba users of those chemicals which are on the suspected list?

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

**HON. GARY FILMON (River Heights):** Mr. Speaker, I can indicate that my predecessor as the Minister of Environment, communicated with the Federal Minister of Health and Welfare, the Honourable Monique Begin, on a number of occasions requesting the information from the International Bio-Test Labs to be provided to our government so that we could further investigate the nature of the tests that were done and try and establish the information that we might need to take our own perspective on the matter and we were refused that information by the Federal Minister.

I can indicate it's estimated that for each of the chemicals that are under suggested concern it would cost something in the order of \$15 million for us to run our own tests to attempt to verify that and multiply that by 89 pesticides that have been indicated, you can see the magnitude of the problem is well beyond the means of our Provincial Government to run our own independent tests on.

So we do need to have the information and we do need to have the co-operation of the Federal Government in the matter and unfortunately it was not forthcoming.

**MR. SPEAKER:** The Honourable Member for Churchill with a supplementary.

**MR. COWAN:** The question that follows obviously from the statement of the Minister, Mr. Speaker, is what action is the Minister taking right now to put pressure on the Federal Government to ensure that they are in fact providing that type of information that is necessary? It seems ludicrous that a Provincial Government can't deal with the Federal Government in respect to what is a very serious problem.

I ask the Minister specifically what action he is going to be taking in respect to one particular chemical, dinitromine, which is currently being sold in the Province of Manitoba, yet according to the list which was published in the Globe and Mail, is found to be an unsafe chemical?

**MR. FILMON:** Mr. Speaker, I'll be looking into all matters to do with this and can assure the member that we will be following up with the Federal Government indicating the answer that we've been given is not satisfactory. We intend to have the matter pursued further.

**MR. SPEAKER:** The Honourable Member for Churchill with a final supplementary.

**MR. COWAN:** Mr. Speaker, as a brief perusal — and very brief because I'm not privy to a list of all the pesticides and herbicides which are sold in the Province of Manitoba — but upon a look over one list I found that at least several of the chemicals which are on the list of chemicals under review are being sold in the Province of Manitoba. Specifically, I have found that the compound, cobex, which is in fact dinitromine and which in fact has been found unsafe as being sold in the Province of Manitoba. The question to the Minister specifically then is what action is he going to take in respect to this particular chemical cobex which has in fact been found to be unsafe; which is on the published list of the 89 chemicals and which should come under provincial review immediately as to the advisability of continuing to allow that chemical to be sold in this province?

**MR. FILMON:** Mr. Speaker, I should correct the member's impression that all of these 89 chemicals are found to be unsafe. The fact is that some of the tests that have been performed by the International Industrial Bio-Test Laboratories have been found to be not reliable but that refers to tests in general and not specific to particular compounds, Mr. Speaker.

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

**MR. CHERNIACK:** Thank you, Mr. Speaker, just a brief question to the Minister of Education whose Estimates will end probably today or tomorrow. May I ask him if he can, before we deal with his Salary or complete it, honour his undertaking made on April 13



to let me have a copy of the Manpower Needs Committee Report, Hansard 2740?

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

**HON. KEITH A. COSENS (Gimli):** Mr. Speaker, I would hope to have that material before we finish my Estimates, perhaps either later today or tomorrow.

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

**MR. VIC SCHROEDER:** Thank you, Mr. Speaker, I have a question for the Minister of Economic Development. Could he advise as to whether the Bedson problem at Rivers is as a result of high financing costs and poor markets?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MR. JOHNSTON:** Mr. Speaker, I wouldn't presume to start to discuss the problems of that company or any other company. Unless they want to do that themselves, I don't intend to do that, Mr. Speaker.

**MR. SPEAKER:** Order please. The time for question period having expired, we will proceed with Orders of the Day.

The Honourable Government House Leader.

### BUSINESS OF THE HOUSE

**MR. MERCIER:** Mr. Speaker, firstly, let me indicate next week the Committee on Economic Development will meet on Tuesday to consider the Manitoba Mineral Resources; and on Thursday, McKenzie Seeds; and on Friday afternoon, to complete either one of them if that's necessary.

Mr. Speaker, I move, seconded by the Honourable Minister of Natural Resources, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

### MATTER OF GRIEVANCE

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

**MR. RUSSELL DOERN:** Mr. Speaker, on Friday we were treated to the performance of the First Minister on the Budget concerning a couple of matters which I thought should be answered best in a grievance as soon as possible. In my judgment that was an interesting speech to watch; it went on for a considerable period of time and, Mr. Speaker, I think one can only conclude by listening to the remarks of the First Minister that he's losing touch with reality; and by that I mean the reality of constitutional and economic developments in Canada which have taken place over the last couple of months.

Mr. Speaker, I don't think that the Premier is reflecting the views of Manitobans in regard to the Constitution or the economy. Maybe he did at one time; maybe he didn't; but at this point in time there is no question. As my colleague for Point Douglas says, he has never accurately reflected the views of Manitobans on these issues.

**MR. SPEAKER:** The Honourable Minister of Government Services on a point of order.

**HON. WARNER H. JORGENSEN (Morris):** Mr. Speaker, I rise on a point of order. I ask you to check the rules to find out whether or not the honourable member is in order in talking on this particular subject at this time. If I read the rules correctly in Beauchesne's 4th Edition, it suggests that on such a motion as proposed, that is in Citation 234, except on Wednesdays, Thursdays and Fridays provided by Standing Order 56 and 58, "When such a motion is proposed it shall be permissible to discuss any public matter within the powers of the Federal Parliament or ask them for a redress of any grievance provided that the discussion shall not relate to any decision of the House during the current session".

What my honourable friend is doing is embarking on a continuation of the Budget Debate and the decision has been made on that subject. "Nor to any item of the Estimates, nor to any resolution to be proposed to the Committee of Ways and Means, nor to any matter placed on or whereof notice has been given on the Order Paper. My suggestion, Mr. Speaker, is that the honourable member is out of order in continuing a discussion on the Budget Debate, which was concluded last Friday.

**MR. SPEAKER:** Order please. The honourable member on a point of order.

**MR. DOERN:** I'm dealing with the attitude of the Premier and his behaviour over the past few months. This is in regard to the position of the Manitoba government, etc., whether or not this was discussed in the Budget, whether or not there was a decision taken on the Budget is not relevant, Mr. Speaker. I'm dealing with the performance of the Premier of Manitoba and I am in no way —(Interjection)— I'm not finished, Mr. Speaker. In no way does this preclude me from speaking on a grievance which has the widest possible latitude. I say to the Acting House Leader that he's trying to limit my remarks to some vote on the Budget. I'm talking about the First Minister and the way he has behaved in regard to his leadership over the past 12 months.

**MR. JORGENSEN:** Mr. Speaker, that is not what the honourable member said when he introduced his remarks. What the honourable member said was that his grievance was going to deal with the speech that was made by the First Minister during closing debate on the Budget. Now he's trying to shift grounds. Sir, I suggest here that the honourable member is out of order.

**MR. SPEAKER:** Order please. I've listened to the points of order raised and I believe the point of order raised by the Honourable Minister of Government Services is a very valid point. I would ask the honourable member to refrain from referring to any matter that has already been dealt with by the House during this Session.

The honourable member may continue.

**MR. DOERN:** Thank you, Mr. Speaker. I'm disappointed at the House Leader trying to cut off the debate for fear of criticism of his Leader. Mr. Speaker, . . .

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

The Honourable Minister of Government Services on a point of order.

**MR. JORGENSEN:** Yes, Mr. Speaker. The honourable member has accused me of attempting to cut off debate; I'm doing no such thing. I'm simply asking that the rules of this Chamber be observed. My honourable friend knows the rules as well as I do and he knows that he is out of order in attempting to discuss the Budget, which was concluded last Friday.

**MR. DOERN:** Mr. Speaker, the problem with the Conservative Government is that events have passed them by. I'm going to try to draw to their attention the facts of the matter in Manitoba today, which they don't seem to recognize. They still think, they still believe that the Constitution is their big ticket to a return to power, that they're going to use that issue to bludgeon the New Democratic Party during an election; that's their fondest hopes, that's their best card. Mr. Speaker, the issue has already been decided.

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

The Honourable Minister of Government Services on a point of order.

**MR. JORGENSEN:** Mr. Speaker, I raise that point of order again. Now the honourable member is shifting ground again and he's trying to tell us he's going to talk on the Constitution. Now he's going to continue to shift subjects until he finds one that is suitable and, Sir, I suggest to you that is not possible under our rules. He must state what his grievance is at the outset of his remarks. He has said it was going to be discussion of the Budget or the First Minister's speech on the Budget. When he finds out that is out of order then he goes to something else. Now he's changing to the third subject. I think we have a right to know what my honourable friend's grievance is and he should state it clearly.

**MR. DOERN:** Mr. Speaker, for the Acting House Leader, my grievance is the attitude of the Premier of Manitoba in regard to the constitutional question and the manner in which he leads this province. Have you got it straight?

**MR. SPEAKER:** Order please, order please. The constitutional question is on the Order Paper, it is proposed for discussion. I suggest the honourable member is anticipating debate. I would suggest he withhold his remarks until that resolution comes up.

The Honourable Member for St. Boniface on a point of order.

**MR. LAURENT L. DESJARDINS:** On a point of order. This is quite odd that you should make this suggestion when the First Minister did exactly the same thing in another speech in this House. We've been waiting for this constitutional matter to be brought in. It's been discussed and it has nothing to do with the Budget at all. If you allow that, Mr. Speaker, and it's just that — that's been there for a long time — it's passé now and I think this is exactly the place to bring in the complaint that we have, Mr. Speaker.

**MR. SPEAKER:** Order please.

The Honourable Government House Leader on a point of order.

**MR. JORGENSEN:** Mr. Speaker, the Member for St. Boniface is wrong because the Budget Debate is a wide-ranging debate and any subject can be discussed. The grievance motion is a very specific motion and only one subject can be debated on that motion. As you so correctly point out, it cannot deal with any subject that has been given notice on the Order Paper. That's what my honourable friend is attempting to do now.

**MR. SPEAKER:** The Honourable Member for St. Boniface on a point of order.

**MR. DESJARDINS:** Mr. Speaker, it is quite unusual to say that in certain speeches you can anticipate something that is in front of us. I've been waiting for a resolution on separatism that has been held back because of that, and if the First Minister can, whenever he wishes, bring the subject and nobody else can do it, this is ridiculous. The member knows very well that it's ridiculous. He has every right. This has been the whole thing of this First Minister and this is the time to criticize it, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Kildonan on a point of order.

**MR. FOX:** Further to the point of order, Mr. Speaker, I believe a grievance matter is a personal thing. Each member under our rules when we have the motion to go into Supply is entitled to one grievance during a Session.

Now the Member for Elmwood has indicated that he has a problem in respect to what the First Minister's attitude is. That may encompass a number of things, they may not necessarily be anticipatory of debating particular issues, but they will impinge on a number of issues, which may include some of the issues that have been raised in this House. They may not necessarily be debated against or for those issues, but I do believe the member is entitled to discuss his grievance and to say why he is unhappy with the leadership of the First Minister of this province. I think that is the whole issue.

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

**MR. DOERN:** Thank you, Mr. Speaker.

Mr. Speaker, it is the attitude and the approach of the First Minister in regard to, first of all, his general performance and in particular his approach on the constitutional question. I want to say that events have passed him by and he is leading the Province of Manitoba and is not reflecting the attitude of the people in the province.

Mr. Speaker, I want to give you examples of what I mean by the First Minister being passed by events. We have had in Ottawa an agreement by the federal political parties including the Conservative party of Canada, we have had a general agreement. That is a new event or occurrence. The constitutional package is going to go to the Supreme Court tomorrow. I suggest to you, Mr. Speaker, that the Supreme Court will approve or pass that particular package; then the package is going to go to Great Britain, and I

suggest to you that the British Parliament will approve that particular package: and then it will come back to Canada and be approved by the Canadian Parliament, and does the First Minister recognize what is happening? Does he accept what is inevitable? No, he says that he is going to continue to oppose this package come what may, no matter what happens he is going to oppose it.

Mr. Speaker, I tell you that it is only a matter of time, it is only a matter of weeks before the Premier's alliance disintegrates and that the eight Premiers will become seven, and then six, and then five, and then four, and then finally it'll go down to a couple — Premiers Lyon and Levesque — that will be the bottom line. That position is totally at odds with the position of the Federal Conservative Party. Mr. Speaker, I say that the battle has been decided, the battle has been decided and it's all over but the cheering, but yet we see that the First Minister of Manitoba instead of recognizing this doesn't want to lose the battle and is now talking about continuing the battle. If you tell him he lost he's going to say, let's make it two out of three and if he loses that he'll say, well how about three out of five, and how about four out of seven, and eventually we are going to get 1,501 out of 3,000; that's going to be the position of the First Minister, because he is not going to accept the events that are occurring in the country today and neither is his caucus.

I tell you, Mr. Speaker, if the caucus follows the Premier on this issue it's going to be a disaster, and I tell you that I do not believe that they will, I believe that the First Minister is going to wind up all alone without the backing of the Conservative Party of Manitoba and eventually without the caucus. The Minister of Municipal Affairs has already bailed out; he's already floating down to earth in his parachute because he knows that it is a disastrous position to persist in the face of public opinion and in the face of his Federal Leader and their particular approach.

So, Mr. Speaker, I'm telling you that in my judgment that the First Minister of Manitoba has blown the constitutional debate, he's blown his opportunity to introduce a resolution which he still may or may not do.

**MR. SPEAKER:** Order, order please. May I point out to the honourable member that he has been advised previously not to refer to matters that are on the Order Paper; if he persists I would have no alternative but to rule the member out of order. The honourable member may continue.

**MR. DOERN:** Mr. Speaker, he has blown the economy; he has blown the opportunity to get the economy out of the doldrums; they have blown their opportunity to bring in programs that would help stimulate things. Mr. Speaker, and as a result of this I tell you that the First Minister of Manitoba has blown his credibility. That is what is going to be the issue, that is going to be the issue. That is where there is a gap between public perception and public performance. I say, that as a result he is going to blow the election.

Mr. Speaker, I say that these are the events that have gone by and with the passing of those events the First Minister doesn't recognize or fails to recognize what is taking place in the country, particularly on the national scene, and especially in

the House of Commons. I say that he says that he's going to fight this issue as long as he has a breath left within him, so that even 25 years from now or 30 years from now when the issue has long been decided and is safely written up in the history books of Canada; namely, that the Constitution came back to Canada, that it contained a Charter of Rights, that it contained an amending formula, the First Minister says he isn't going to accept that. You know, Mr. Speaker, I can see him in the future as an elderly gentleman in his 80s or 90s sitting in a nursing home still muttering away about the Constitution, still saying that he's going to fight the Grits, that he's going to not yield to the aspirations and the determination of the Prime Minister of Canada. Mr. Speaker, he's going to keep muttering away and mumbling away and talking about his position on the Constitution.

Mr. Speaker, that reminds me of the story of the first senior citizens' streaker, I don't know if you're familiar with that. There was an old lady in a senior citizen's home in the height of the streaking craze who said to her best friend, you know what, I'm going to be the first senior citizen streaker, and her girlfriend said to her, you've got to be kidding, I mean you are 85 and you're going to go out there and make a fool of yourself. She said, well look, I don't care it's a chance at history, I mean it's something for the Guinness Book of World Records and although her friend tried to discourage her she couldn't discourage her from doing this. So one afternoon, on a nice summer afternoon, she put on her jogging shoes and that's all and went out into the courtyard of this home and jogged around the benches and so on. At one point she went by a bench where there were two old gentlemen sitting there and she jogged by and one of them said to the other about a moment later, "What was that? The other old chap said, "I don't know, but it sure needs ironing."

Well, now if that had been the First Minister, if that had been the First Minister, he would have said, we've got to stop the Constitution, we have got to do something about stopping the Grits from ramming the Constitution down the throats of Canadians. That's what he's going to be doing, right? That's what he's going to be doing in the future. He's going to go to London, when they lose this particular issue, and he's going to fight his case in London, Mr. Speaker. People are going to be in London in a couple of months, we're going to pay for that trip, it's going to be charged to the taxpayers, like those other trips over in London where there were speeches made to British groups and British parliamentarians, and the people are going to be there for the Royal Wedding, the biggest social event of the year. My colleague from Fort Rouge is going at her own expense, not sponsored by her party, she's going to the Royal Wedding and others. (Interjection)— You're going to be in the crowd, you didn't get an invitation, I see. Well, at least one MLA will be there at her own expense and there'll probably be the First Minister there in London and what'll he be doing? People will be going and cheering Prince Charles and Lady Diana; the carriage will be going down the road; and Premier Lyon will be there, standing on the side of the road with a bunch of blue pamphlets, handing them out, "One

for you. Would you mind reading this? This is a grievance that we have about the government of Ottawa, the government of Pierre Elliot Trudeau, who refuses to recognize the position of the Conservative Party of Manitoba, and the Conservative Party of Canada". There will be the Premier with his blue pamphlets, passing them out, trying to persuade people of his position. Mr. Speaker, what do you think the British people will think? What do you think the parliamentarians in Whitehall will think when the Resolution goes from the Canadian Parliament to the Supreme Court, to the House of Commons? Do you think for a moment that they will hold up that bill? Do you think for a moment they will listen to our Premier who will be there trying to dissuade them, trying to reverse an inevitable flow and a pattern that is swiftly passing him by, trying to go against the current? Mr. Speaker, I shudder to think of some of the remarks that will be made by the British public and the British parliamentarians about an effort made at that late stage to reverse an inevitable process.

Mr. Speaker, I say that is what the First Minister has said he will do. That is my grievance, that he says that he doesn't care about what takes place in the national capital. He doesn't care what anybody else does. He doesn't care what anybody else thinks. He's going to fight to his last breath. He said that if it's legal, it's not immoral, and that even if people think it's okay to be immoral, it isn't right. Even if they think that's all right, he says it isn't fair. No matter what people say, no matter what the evidence is, he's not going to change his mind.

Mr. Speaker, I tell you, he is a man possessed. I ask this question, is there an exorcist in the House? Because this should be dispelled, this sort of notion should be dispelled from the particular gentleman. The rest of us in Manitoba, I think, are beginning to get somewhat embarrassed by the performance of the First Minister and his obsession with this particular issue.

Mr. Speaker, I don't want to be associated with this, and neither does anyone else in my particular party. I think that members opposite are beginning to feel somewhat uneasy, that the opportunity they once had to divert people's attention from the basic issues of the Manitoba economy, namely the Constitution, that opportunity has been blown, that opportunity has been lost, and now they cannot anymore raise the constitutional issue.

I have to say to gentlemen opposite that it was never a winner in the first place. There was no guarantee that issue would win an election. It was tried in a similar way in 1969, when the Honourable Walter Weir was Premier of Manitoba, and he was standing up to Ottawa, and he wasn't going to get pushed around, and he was the tough guy, and he was holding down taxes and keeping things at a particular level. Mr. Speaker, it didn't work. The election was called on the basis of a strong leader, standing up to a recalcitrant Federal Government, and it failed. This was the policy, this was the attitude of our particular government, and Mr. Speaker, now I say that has gone by the boards, but the recognition, there's a gap, there's a time lag. The full meaning of what has happened has not yet hit the particular gentleman opposite, although I think it's beginning to sink in.

So I want to say, Mr. Speaker, that the Premiers' alliance, which has been led by the Premier of Manitoba on this particular matter, will crack like a boiled egg dropped from a height of 50 feet, starting right now — soft-boiled egg. Mr. Speaker, if you call a meeting today of the eight Premiers, it wouldn't surprise me a bit, not a bit, if a number of them failed to show up, because I think that what has happened down east, I think the first thing you're going to see — and I make my own predictions, I speak for myself — I think that the Premier of Saskatchewan will be one of the first to say there is no value in continuing this operation. It is not productive. It is negative, and it has been an arrangement — I wouldn't want to call it ad hoc — which is no longer useful in view of events that have taken place down east. We blew it. Right after that, Mr. Speaker, will come Prince Edward Island, Nova Scotia and then after them will come British Columbia, who will finally bail out. They will bail out of this situation.

So you're going to get left with four gentlemen, Premiers Lougheed, Peckford, Levesque and Lyon. We know that Premiers Lougheed and Peckford are mainly involved in this particular operation because of their interest in natural resources, and in revenues for their economy. That's what they're for, they're capitalist businessmen. It's ironic isn't it, that Newfoundland, which has been a have-not province for so many years, is suddenly trying to play in the big leagues? So when those gentlemen get an agreement on energy and off-shore oil and fish and all the rest of it, they're going to pull out. That's their interest, self-interest, they're interested in dollars. That's why they're involved as part of this team. That's going to leave Premier Levesque and Premier Lyon.

Premier Levesque's position, I think, accurately reflects the position of the people of Quebec, not the separatists, not the separatism, but the attitude that Quebec wants to be master in their own house, that they want to run their social and economic programs as much as possible. This is not new with Rene Levesque. I mean, I remember Daniel Johnson saying this. We remember Bourassa saying this. We remember Jean Lesage, this was his position. I'm sure it was the position of Duplessis. At least in the last 20 to 25 years, this has been the position of the Province of Quebec, but this has not been the historic position of the Province of Manitoba. Manitoba should be for equalization; Manitoba should be for redistribution of wealth; Manitoba normally supports Federal initiatives over more parochial initiatives. I say to that extent the historic provincial position is not being reflected by the Premier.

My grievance is that the Premier does not accurately reflect either the historic position of our people and our province, as manifested by predecessors in office and he certainly doesn't represent the feelings of Manitobans today. I think Manitobans have had enough. They're sick and tired of listening to this constitutional debate and they want the First Minister and the government to get on with governing the province and with dealing with the economic issues that confront us.

Mr. Speaker, I simply say that I am not satisfied with the manner in which the First Minister has been

dealing with this particular issue — posing for pictures in the paper, holding his nose about provincial . . . his attitude towards the federal posture on the Constitution. I want him to deal with the issues. I want him to tackle the economy because I'm concerned about people leaving. I don't accept the notion that's now being put forward by the Conservative Party that they're happy about the fact that there is a no-growth or slow growth situation in the province. We have been saying in the New Democratic Party for the past three years that we're worried about population losses.

**A MEMBER:** He got the province moving.

**MR. DOERN:** Yes, he got us moving but he got us moving in the wrong direction, out instead of in. I don't believe that we should have a no-growth or a slow growth policy and then trumpet that as a desirable thing. I know what's happening, Mr. Speaker. I know that the First Minister cannot break the cycle of out-migration, he cannot break it, and he has therefore accepted it. There are a lot of sayings aren't there? One is that "Necessity is the mother of invention." Another one is that "He's making a virtue out of a necessity". So he's now beginning to talk as if well, this is really what the Tories always wanted anyway, they were really very happy about the situation of stagnation, that has now become the Conservative goal. Let him tell that to the people of Winnipeg and the people of Manitoba in the next election. I challenge him to say that his government's policy is no growth, slow growth or negative growth when it comes to population.

Manitoba used to be, in 1870, known as the postage stamp province. I was just looking at a map of that today which will be of interest to my friend from Rock Lake — that Pilot Mound and Crystal City were in the western extremity of the province in 1870 and up to Gladstone and then across and then down somewhere east of Emerson! So it was just that patch of land, and it expanded in 1881 I think to the 53rd parallel. Then in 1884 it went all the way up past Hudson Bay, etc., so that's how the province grew.

Mr. Speaker, the problem today is that given the posture of the government, their obsession with the Constitution to their dying death, and I find that very hard to believe. This is the direction that the Premier wants to take the party and he has spoken for his caucus and said till his last dying breath and the breath of his caucus. Mr. Speaker, that is a problem — whether the caucus is going to follow the leader.

**MR. SPEAKER:** Order please. The honourable member has five minutes.

**MR. DOERN:** Thank you, Mr. Speaker.

**A MEMBER:** Tell them about Jonestown, Russ.

**MR. DOERN:** As some of my friends say, it sounds like the Jonestown massacre, which really I find one of the most sickening incidents in contemporary history, but the leader took the followers all together and they all died on the spot because of a fanatical leader who persuaded people that he had the right plan and he poisoned them all with his words and they picked up his reaction, took the poison and the whole group went by the boards.

Mr. Speaker, I don't want a government and a leader that has an obsession with one issue. The Premier has to spend his time with a broad range of issues, economic and social. The Constitution was only one of those issues. It's time to give it up. It's time to put that issue at rest. He lost that issue, he blew that issue, and it's time that he recognized that. Now it's time for him to turn his attention to the other issues, to the economy, to the population loss. I don't want a smaller province, I don't want a smaller population, I don't want a fortress mentality, I don't want Manitoba to shrink to the boundaries of 1870 or to shrink to the southwestern part of Manitoba where the Conservative party is based. That's not what we want. We want a government and a Premier that exercises some leadership.

Mr. Speaker, I will conclude by saying that on the issue of the Constitution and on the attitude of the Premier and on the posture and the manner in which the Conservative Party has acted on this, I say, Mr. Speaker, that they have lost the issue and events have passed them by. My grievance is that the Premier has become a man obsessed and he says that regardless of what happens in the courts, in the Parliament, in the attitudes of a people, whether it's immoral or right or fair or legal — he doesn't care, he's going to keep going on this particular issue. I say to him, Mr. Speaker, he should turn around, because as he keeps going eventually he's going to turn around and there'll be nobody following him.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Crescentwood in the Chair for the Department of Education and the Honourable Member for St. Matthews in the Chair for the Department of Municipal Affairs.

## CONCURRENT COMMITTEES OF SUPPLY

### SUPPLY — MUNICIPAL AFFAIRS

**MR. DEPUTY CHAIRMAN, Len Domino (St. Matthews):** I call the Committee to order. We are discussing 1.(b) Administrative Salaries — the Honourable Member for Rossmere.

**MR. SCHROEDER:** Thank you, Mr. Chairman. Could the Minister explain what impact, if any, there will be on the department from the recent Budget which took some \$24 million out of a special municipal loan fund? What was the purpose of that fund and where is the money going?

**HON. DOUG GOURLAY (Swan River):** Mr. Chairman, I'm wondering whether this would better be discussed in another part of the Estimates. Are we going line by line or just what is the procedure now?

**MR. SCHROEDER:** I thought we were still on the Minister's Salary in general. We were asking general questions with respect to the department.

**MR. GOURLAY:** The last day when we more or less started the Estimates, I gave my opening remarks and then we got into the wide-ranging area of questions and concerns that will be related to some

of the sections that come up as we move along. I was just wondering whether we could deal with those specific issues. With respect to your question on the Reserve Fund, this was a labour intensive program that was handled under the Department of Labour and really had no impact or concerns directly related to the Department of Municipal Affairs, so it really has no direct impact as far as this department is concerned.

**MR. SCHROEDER:** Was that not a loan fund which was created specifically to assist municipalities in time of need? If there was some form of emergency requiring some kind of assistance, that fund could be used. Is that not what the purpose was?

**MR. GOURLAY:** Certain programs such as water and sewer extensions and the like was handled under the funding, but was administered through the Department of Labour and Manpower.

**MR. SCHROEDER:** But it was administered for the benefit of municipalities in Manitoba for whom you, Mr. Minister, are responsible. This elimination — I'm just wondering what effect this will have if there are problems encountered in this particular year or in the future, which in the past were solved by utilization of this Fund, what will now be the effect of this?

**MR. GOURLAY:** I understand that this particular program has not been used for a number of years now.

**MR. SCHROEDER:** How many years?

**MR. GOURLAY:** It certainly hasn't been used since it came into the department, two or three years.

**MR. SCHROEDER:** The particular fund was to provide loans to municipalities for specific projects in order that those projects could be accomplished. Is that correct?

**MR. GOURLAY:** That's true.

**MR. SCHROEDER:** Without this loan fund, the municipalities of this province then now have lost an opportunity, one method of bettering their plant and facilities, sewer, water, whatever, which they had before this fund was transferred out of your department. Have you come up then with an alternative program which will put the municipalities back in the same position they would have been in had this fund not been transferred out of this particular area and into another area. Incidentally, I'm wondering where exactly it was transferred to.

**MR. GOURLAY:** The actual work was carried out through the Provincial Job Office under the Department of Labour, and the money was administered through the Department of Finance.

**MR. SCHROEDER:** The money went to the Department of Finance from this special loan fund, is that correct?

**MR. GOURLAY:** That's true. The funding was in the Department of Finance.

**MR. SCHROEDER:** Yes, I'm not particularly concerned about whether it was the Department of

Labour or any other department which administered the work. The fact of the matter appears to be that up until several years ago, this fund was used for the purpose of assisting municipalities to upgrade their capital plant and assets. It has since a couple of years ago — two or three years ago, I believe — the answer was: "not been used for that purpose". Have you provided an alternative?

**MR. GOURLAY:** At this time there is no provision as such unless a specific request is presented to the government, then the government would have to look at that as an overall government policy.

**MR. SCHROEDER:** Is it now the policy of the government that The Special Municipal Loan and General Emergency Fund Act is no longer one which will be utilized to assist municipalities in upgrading their capital plant?

**MR. GOURLAY:** This could be — I guess, I'm not certain, but I presume — that this could be used at some later date as it was in the past. At the present time, it is not being utilized, and if a decision is made to provide funding for emergency situations to municipalities, it could be directed through that medium.

**MR. SCHROEDER:** So your present policy, I take it then, is that although you're not going to ask for the repeal of this Act, for right now the policy of your department is that although that Act is in place you have no funds set aside for any municipality which might wish to utilize it, nor would you accept an application from any municipality which wished to utilize it. Is that correct?

**MR. GOURLAY:** Yes. The funding has been administered through the Department of Finance. We do not have any special programming available at this time to assist special requests from municipalities. Your specific questioning I would think would best be answered through the Minister of Finance; I can't really give you any more enlightenment on it than that.

**MR. SCHROEDER:** I'll try again. I understand that the actual funds, the \$24 million, were not in the Department of Municipal Affairs, that is that they were controlled — it was a Fund designated for loans to municipalities and the Fund was within the Department of Finance. Further, I understand that it was the Department of Labour which actually administered the program, but the benefit of the program went to individual municipalities. What I would just want you, sir, to confirm or deny is whether . . . Is it a fact that at this point in time it is a specific policy of this government that although you have that Act in place you have no funds available to allow any municipality which applies to you under that Act to do the work which that Act contemplates that it has the right to do?

**MR. GOURLAY:** I would say that's true what you're saying.

**MR. DEPUTY CHAIRMAN:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Thank you, Mr. Chairman. I don't have a copy of the Budget Speech here, but I'd like

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to ask the Minister, I gather from his answers to the Member for Osborne that this Act will lie in place to be used if and when an emergency arises, whereas my impression is that the Budget Speech stated that this Act will be repealed. Am I wrong about that?

**MR. GOURLAY:** This could very well be. This Act could be repealed. It's being administered under the Department of Finance; it's not in the Department of Municipal Affairs.

**MR. CHERNIACK:** Mr. Chairman, I admit to being really confused. I listened to a very lengthy Budget Speech and I think that what was said is that it will be repealed. Now the Minister of Municipal Affairs, who is a member of Cabinet, doesn't appear to be sure that it will be repealed. Was the decision not made? Or do we rely on what the Budget Speech says or do I have to get a copy of it?

**MR. GOURLAY:** I can take that as notice and clarify it if you wish.

**MR. CHERNIACK:** I must express some disappointment, maybe even concern, that the Minister, who is obviously not responsible for the administration of this Act, but yet is not only a member of Cabinet but charged with dealing with municipalities, that he's not aware as to whether or not this Act will be repealed. Now, what bothers me is that he indicated to the Member for Rossburn that the Act will lie in place, the money may be gone but the Act will be here to be used if necessary, which I believe is a direct contradiction to my recollection of what the Budget Speech says.

Well, there is no use dealing more with that, the Minister admits that he doesn't know and has taken it as notice. I would like to ask him —(Interjection)— Mr. Chairman, I'd like to make a public apology to the constituents of Rossmere for having designated their member as being from Rossburn, rather than Rossmere. That almost lost my train of thought, but not quite.

Has the Minister in the time that he has been Minister for Municipal Affairs had any occasion to deal with any municipalities in relation to problems that municipalities might have in raising funds in a manner which would be considered applicable under this Act?

**MR. GOURLAY:** Well, a number of municipalities throughout Manitoba took advantage of the CSCP Program and utilized that program, which has subsequently been quashed by the federal people, it was financed by the federal department and since has been discontinued, that municipalities were making use of that for emergency situations and different types of projects in the various municipalities.

**MR. CHERNIACK:** Mr. Chairman, I gather this program the Minister refers to is a federal program. CSC what?

**MR. GOURLAY:** CSCP, it was a federal funded program, but it was administered under the Department of Municipal Affairs.

**MR. CHERNIACK:** When was it taken out or removed?

**MR. GOURLAY:** Well, I'm sure if you were in the House this year you'd have heard quite a bit of discussion about it and I'm surprised you'd ask that question. It was removed several months ago.

**MR. CHERNIACK:** Mr. Speaker, should I tell the Minister that I don't have to take any reprimand from his as to whether or not I'm in the House and certainly now that he is aware that there is legislation that he was responsible for which is no longer in place, what has he done to replace that legislation?

**MR. GOURLAY:** Are you referring to the federally funded CSCP Program?

**MR. CHERNIACK:** The CSCP, yes.

**MR. GOURLAY:** We have had no further discussions with the Federal Minister. This was a program that was initiated by the federal people to be a long-term funding program available to the municipalities. There was an interim program put in place which expired this current year, the federal people have seen fit to discontinue it. We've asked for further discussions to see what might be replaced or put in place of this program. To date we have had no further discussions with the federal authorities.

**MR. CHERNIACK:** Mr. Chairman, other than talking to the federal people, what program, what development is there within Manitoba to take care of the need which apparently did exist, which the Minister seems to indicate ought to continue to exist and what has the province done to fill that void?

**MR. GOURLAY:** As I say, it was hoped that the federal people would introduce a new program. There was some indication that there would be something put in its place because this has been an ongoing program funded by the federal tax dollar for some years and all of a sudden it has been discontinued with some indication that there may be alternative programs in its place. Some discussions I understand have been held with the various Housing Ministers but nothing definite has been proposed to the provinces that would replace this type of funding made available to municipalities.

**MR. CHERNIACK:** Mr. Chairman, is it the intention of this government of Manitoba to provide the funds and the program which it feels is needed to replace the former federal program? Or is this government going to just sit back and blame the Feds for withdrawing the program and do nothing about the need which the Minister seems to indicate has to be filled?

**MR. GOURLAY:** Mr. Chairman, it may very well be that the province will have to get into some special funding for municipalities whether it be on water and sewer or like programs. We have not abandoned the hope that the federal people will provide funding through some other program to be named or announced. At this time we do not have any special funding available for emergency programs.

**MR. CHERNIACK:** Mr. Chairman, this is the time when we deal with the Minister as to what his plans are, what his programs are and now he says it may

well be that we may be bringing it in. May I ask the Minister under what authority and with what funds he will be able to bring it in once this session ends?

**MR. GOURLAY:** Mr. Chairman, we do not have any program available at this time to introduce.

**MR. CHERNIACK:** I'm sorry, Mr. Chairman. Your predecessor is insistent that we be recognized before we speak. That's why I've been dealing with it.

Mr. Chairman, the Minister has no program; I assume he has no money; therefore how does he suggest that it may well be that this program will be put in by the province unless he has legislation or funds? I gather now he has neither; so why say it may well be that it will be done. How could it possibly be done without funds or legislation?

**MR. GOURLAY:** Mr. Chairman, as I indicated earlier we are still having dialogue with the federal authorities. They haven't said definitely they've cut off all forms of financing future programs in this particular area.

They have announced that they are discontinuing the CSCP Program that was an interim program to give the provinces and the Federal Government time to work out a long-range program. We're still hopeful that there will be another program in its place and there is ongoing dialogue with the federal people to reach some decision on this matter.

**MR. CHERNIACK:** Mr. Chairman, in the light of the explanation that the Minister is giving, which I understand, I have to ask him how he could have said just moments ago it may well be that we will have a program. The fact is you won't have a program; you're not planning to have a program, and you can't have a program without legislation or funding, neither of which you seem to have, and therefore when you're talking about it "it may be that you'll have a program" you must be talking about another session or after the next election.

**MR. GOURLAY:** This is some time in the future perhaps if the federal people don't come forward, and certainly I can't make it any more clearer than that.

**MR. CHERNIACK:** Mr. Chairman, I point out to the Minister that until he made it clear now, he left me with the impression that the government is thinking of some sort of a program to fill the void of the removed CSCP — Is it? The CSCP Program. but now it is clear. The government has no plans whatsoever to fill the void left by the Federal Government. It has hopes; he said we hope it will be done but the government is not planning to do it. Meanwhile, coming back to The Special Municipal Loan and General Emergency Fund Act, he doesn't know whether or not that's going to be repealed and I'm not asking him to take my word, because I will not certify that it specifically says so in the Budget that I honestly believe it will. In any event, the funds are being removed and I'd like to know how the Minister is dealing with municipalities that may have problems with funding for their special needs such as he describes — sewer, water — how is he dealing with them on that? Is he telling them to wait for the Feds? Is he blaming the Feds for the financing of a

municipal program, which I think is completely within his own jurisdiction, or is he telling them that this Act may yet be used — I mean The Special Municipal Loan Act? What is he telling the municipalities about this?

**MR. GOURLAY:** The CSCP Program has been well used, as I indicated, by almost all, if not all, of the municipalities in the Province of Manitoba. As this program was suddenly discontinued there is however some indication that an alternative program will be announced or worked on by the federal people in the various provinces that have the responsibility of administering this former program. In the case of Manitoba, it was the Department of Municipal Affairs. In other provinces, it was perhaps other departments — the Department of Housing in some municipalities.

**MR. CHERNIACK:** Mr. Chairman, the Minister did not answer my question, I would like him to. I asked him how he was dealing with the municipalities that no longer have that Fund, the federal fund, available? He's responsible for it; it has disappeared, he describes as if it's a worthwhile program and therefore knowing full well, as I assume he does, that there is an Act in place and until the Budget statement there was money to the credit of this Fund, how is he dealing with municipalities that come to him and say we want to take advantage of that CSCP Program but can't do it any more? How is he dealing with them or are they not coming to ask for any help?

**MR. GOURLAY:** I should explain that although the CSCP Program was discontinued, many of the municipalities had projects approved and they can continue to carry out work under that program until the end of March of 1982. There are many programs that are going on in this current year that were previously approved and funding approved for those projects will still be honoured until the end of March of next year.

**MR. CHERNIACK:** Does that then mean that there are no municipalities in Manitoba who need funds at the present time and who can't get them from CSCP, that there are no municipalities in need now?

**MR. GOURLAY:** There could very well be many municipalities in need and I suspect there are a number that do not have programming approved under the former program. However, to my knowledge I don't recall municipalities specifically requesting that they have an emergency situation on their hands with respect to emergency programming or funding for their particular municipality; there could very well be some problem situations in the province. But at the present time, as I've indicated, the CSCP Program has expired except for those municipalities that have projects approved and have not as yet completed the work. They'll be able to do that or complete it this coming year.

Other municipalities at the present time have no program for provincial or federal funding to cover any such emergencies.

**MR. CHERNIACK:** Mr. Chairman, since this Minister is the Minister of Municipal Affairs and all



municipalities are creations of the province, I would think that he ought to be the person who knows the problems as they may exist in all of the municipalities of Manitoba and to be able to assist municipalities with filling their need for loans if there are such. I'm wondering if he has drawn the attention to any municipality — any one municipality — the existence of The Special Municipal Loan and General Emergency Fund Act. Has he done that? Has he suggested to them, knowing that he says maybe many are in need, has he suggested to any one of them that this may be a source from which they could seek assistance?

**MR. GOURLAY:** Mr. Chairman, the Municipal Loans Fund was discontinued some two or three years ago and no concerns were expressed by the various municipal bodies, including the organizations that represent them.

**MR. CHERNIACK:** Would the Minister please clarify how the fund was discontinued? I know I was in the Legislature for the last few years. I'm not aware of how it was discontinued. Can he clarify that?

**MR. GOURLAY:** Are you referring to the Special Loans Program?

**MR. CHERNIACK:** Mr. Chairman, the Minister stated that the Municipal Loan Fund was discontinued several years ago. I think that's what he said just a moment ago.

**MR. GOURLAY:** Is this what you're referring to?

**MR. CHERNIACK:** I wish he would tell me what he's referring to. What is he referring to as having been discontinued?

**MR. GOURLAY:** The Special Municipal Loans Fund. That's what we've been talking about, isn't it?

**MR. CHERNIACK:** If he's talking about the fund under The Special Municipal Loan and General Emergency Fund Act, could he clarify how that was discontinued a few years ago, which is what he said? How was it discontinued? When was it discontinued?

**MR. GOURLAY:** No more loans were issued under that program, back some two or three years ago.

**MR. CHERNIACK:** Is the Minister saying it was discontinued, which is a positive act, or is he saying that no loans were made, which is probably a matter of fact? Is the Minister saying that a few years ago there was a decision made, that the loan fund would be discontinued?

**MR. GOURLAY:** I understand that some two or three years ago the actual loans were discontinued under this funding.

**MR. CHERNIACK:** Mr. Chairman, could the Minister take as notice and in due course let us have some announcement; some decision that was made public; some public statement or private statement that was made indicating that the fund was discontinued? I ask that because my impression is that it's this Budget Speech that in itself announced that the

moneys were being taken and transferred into current revenues of the province — and that's really a discontinuance — it was taken out and put into current revenues to reduce the highest deficit in the history of Manitoba I believe and that's where it came from. I still say that the Budget Speech said that the Act will be repealed. Under those circumstances I would like the Minister to accept as notice and undertake to provide us with a copy of whatever statement that was ever made indicating that this fund was discontinued, earlier than the Budget Speech itself. Will he undertake that?

**MR. GOURLAY:** Yes, I'll do that.

**MR. DEPUTY CHAIRMAN:** The Member for Fort Rouge. Did you have a question?

**MS. WESTBURY:** Yes, I do. I have a couple of concerns which I've been asked to raise with the Minister, Mr. Chairperson. I wanted to bring it up here. The problem that I've been asked to raise was concerning the fact — which doesn't seem to be alleviated under this government — that the level of government which raises the tax should be responsible for the spending of the money and the particular example given to me to show how this doesn't happen at the present time, was in the area of policing in municipalities, where the municipal government pays the cost of policing, but the province does the negotiating with the police as to how much will be paid, and then the municipalities pay for it.

The municipalities have no say in how much they're going to be paid but they have to develop budgets, while at the same time having no control over certain expenditures of which policing is the example that was given to me, and the feeling is that the municipal governments should be more directly involved in this kind of negotiating that's directly going to result in their budgets being raised. As the responsibility for such services being with the property taxpayer, the property taxpayer then blames their municipal government for the increases when in fact the municipal government has not been involved in the negotiations at all.

I'm going to have another concern to raise, too.

**MR. GOURLAY:** Mr. Chairman, the item of policing really is an area that comes under the Department of the Attorney-General, not Municipal Affairs.

**MS. WESTBURY:** I guess I should have realized that, Mr. Chairperson. But in presenting to the municipalities the Bill, whatever has been negotiated by the provincial government, does that not go through this department?

**MR. GOURLAY:** No, it doesn't.

**MS. WESTBURY:** Well, I'm sorry then that I bothered you with it. I know now, I'm glad Attorney-General comes next, I'll be able to go back to them about it.

There was another question that has to do with major capital projects, which are undertaken in municipalities and in some cases negotiated by the provinces or even placed in municipalities by the provinces, where the municipalities are in fact stuck

with the burden of additional payments, such as, for instance, if the proposed Alcan Smelter is placed in a municipality, will the Municipality then have to pay the full costs of, additional costs of roads and services to and around such a project, or would the province be taking full financial responsibility for such a project, Mr. Chairperson?

**MR. GOURLAY:** Well, the projects, such as you speak, would be areas of negotiation with whoever the project might be initiated with. Right now, in the case of Alcan, it's a hypothetical situation but that infrastructure cost and the like would be something that would have to be negotiated.

**MS. WESTBURY:** Then the negotiation would be between the principal and with the Provincial Government and with the Municipal Government — the Municipal Government would be involved in such negotiation?

**MR. GOURLAY:** I would think that they should be and I think this is true that they . . .

**MS. WESTBURY:** They should be is the point I'm trying to make.

**MR. GOURLAY:** Yes, it would be in the case of the company involved and the province and the municipality in which the project might be located.

**MS. WESTBURY:** That's fine, those were concerns that were expressed to me and I wanted to bring them to the Minister. Thank you.

**MR. DEPUTY CHAIRMAN:** The Member for Rossmere.

**MR. SCHROEDER:** Thank you, Mr. Chairman. In the last few years we've had a number of program changes. That is, we have talked about the demise of the CSCP Program, Community Services Contribution Program, which was a federal-provincial program funded by the Federal Government. It was born in 1979 and died in 1981 or 1980, it was in there somewhere. I believe some programs that were started in 1980 are still being funded under that program. But prior to that we had the NIP Program, the Neighborhood Improvement Program, and this other CSCP basically took over from there. Those programs are gone, they were federal-provincial, and in the last couple of years you have killed off this other program. Now we are coming along with things like raising RCMP costs because the Federal Government again is trying to get off the area of assisting in that type of policing and so there is a larger burden being put on the municipalities and it seems to me that it is time that with all of these things happening to the municipalities; some the fault of the Provincial Government, some the fault of the Federal Government, none the fault of Municipal Government, it is time that you took some of the restraints off municipalities in terms of where they get their funding from. You just simply can't keep cutting back, you can't have senior levels of government continually cutting back on the municipalities without having the Minister of Municipal Affairs starting to speak up for the municipalities, who are losing funding and who are

not able to keep up with their services and who are saying in the newspapers, and you see it all over the place, that they are either going to have to cut programs or raise taxes. It's happening all over the place and it's going to get worse with the elimination of these programs and here we have absolutely nothing being done, either about providing funding from senior governments or giving some assistance to the Municipal Government in terms of its own ability to raise funding.

We heard, for instance, several weeks ago in the Legislature the Attorney-General say, I'm not prepared to give the municipalities the right to collect a sales tax. There has been no indication other than the 2 percent of provincial income tax, which the previous government instituted for municipalities, that there has been any increase in that area for the municipalities. So, you've got them stuck out on a limb, you've got them hanging out to dry with no where to turn, and then you have people coming along and saying, well, the government that spends the money should raise the money. That's a very nice statement to make, that's a very nice statement to make, but if you don't give them the power to raise the money, and it has to be a sensible power; it can't be something that every municipality has to try to raise in its own way because administration becomes far too expensive. You can't have one municipality trying to raise income taxes and another raising liquor taxes and a third raising tobacco taxes as someone suggested recently. You have to have something that will allow them to raise funds.

Now, you've cut off The Special Municipal Loan and General Emergency Fund Act. You've, I guess, effectively killed it a couple of years ago, but now, you're making sure that that \$24 million, which had remained in the Fund, is added against your deficit so it doesn't look so bad, and I would hope that the Minister would now come up with a program that will assist those municipalities he is out there attempting to help. After all, it was the Minister, I believe, who sent out a nine-page pamphlet a couple of weeks ago to a bunch of reeves and mayors throughout the province taking credit for the state of the economy of Manitoba, I was glad that he did that I might say.

Certainly we wouldn't want to take credit for the absolute dismal performance of the last several years. I think that if I were the Minister I would have been rather ashamed to note that I was presiding over a government at a time when we have a net population decrease over the last four years, when we have bankruptcies at their highest rate in recorded time. You can go on and on and talk about the disasters that this government and its economic mismanagement has visited upon the province, but this Minister chose to send out a nine-page financial report and covering letter referring to the very positive achievements in Manitoba's economy in the last three years. It was astounding. People in my constituency are telling me that they have never seen the housing industry in the kind of low ebb that it was last year, it has slightly improved this year, but this year is nothing compared to any of the NDP years, it's much worse than those years and here the Minister is taking credit for that type of thing. Of course, that has to be put into context with stifling the municipalities, we're saying to them, no, we're not going to give you any loans and sure the Federal

Government is going to cut down the programs, but that's too bad, you'll just have to fend for yourselves, you'll have to figure out some other way of achieving your income, but no, we are not going to give you added taxing ability.

So the whole thing is one picture where the municipalities in this province are getting it in the ear and I would hope that the Minister would come up with a program to assist and not just blame the Federal Government. It may well be that the Federal Government deserves a good healthy share of the blame, but certainly some of the blame has to rest with the Provincial Government. So, I would specifically ask the Minister to address himself to the question of growth taxes for the municipalities and other means or methods of municipalities obtaining funding in order that they can keep up with their community services, with their public buildings, with their sewer and water projects and that type of thing. What is he going to do about it?

**MR. GOURLAY:** Mr. Chairman, the honourable member mentions about the discontinuation of the CSCP Program and previous to that the neighbourhood improvement programs and I think there were a couple of other federally funded programs that have helped the municipalities. Those programs were rolled into what was known as the CSCP Program for the last couple of years. Subsequently that has been discontinued as well by the federal people.

As I indicated we have ongoing dialogue with the provincial authorities and hopefully that the federal people will initiate a new type of program, whether it's called CSCP Program or NIP Program or whatever, but at the present time we have no assurance from the federal people that moneys will be forthcoming.

The honourable member asks what I plan on doing in the future to assist the municipalities. I can say to the member that I notice that he neglected to mention the fact that we will be contributing some \$70 million to the various municipalities in the province this year to assist with education programs. Certainly this will in most cases free up several mills in the various municipalities to assist them with other programs that they may not have been able to initiate because of increasing education costs. Certainly this \$70 million will help to some degree most of the municipalities in Manitoba for this current year.

**MR. DEPUTY CHAIRMAN:** The Member for Emerson.

**MR. ALBERT DRIEDGER:** Thank you, Mr. Chairman. There is no way that we'd like to leave that implication on the record the way the Member for Rossmere indicated what the performance of this government has been over the last three years and how the municipalities raise their taxes, how can they keep up with it because there are no programs available.

I'd just like to refresh his memory a little bit on the school program that the Minister of Education introduced not that long ago, which drops the mill rate on the cost of education, which is something that a municipality levies and has no jurisdiction over. Talking specifically of municipal taxes itself —

if the member had taken some time and checked percentage-wise the increase in property taxes and what has happened to them in the rural municipalities, I can indicate to him that I have a LGD, a Local Government District, where over 60 percent of the people don't pay even \$1.00 tax, not municipal or school education cost, because of the programs that have been initiated in by this government.

So that leaving those imprints on the record that this government has done nothing — we've upped the School Tax Rebate Program plus a program that is in place right now. When I talk of 60 percent of the people that don't pay \$1.00 tax, is the member promoting that people should not pay any tax against services against real property? If that is how he feels he should put it on record, because I personally believe very strongly, having been involved in municipal affairs as Reeve for five years, that people should pay taxes for services against real property. If the Member for Rossmere does not believe that, then he should put it on record. When you have 60 percent of people in some areas not paying \$1.00 taxes, how can he make any inference that the government is not performing?

He makes reference to the housing boom under the NDP and what a dismal failure it was under the present government. I would also like to bring to his memory the fact that we had a 6 percent vacancy rate in the City of Winnipeg at that time, which is way, way above normal, and what we have done by rationale, we have finally levelled it out. There has been some rough rides for the construction industry but it's coming back. In fact people in my area, a lot of them are working in the construction industry in the city, indicate right now they have more work lined up than they can handle. They're already booked, where they're looking at working six days a week nine hours a day. So let's not try and leave that impression that everything has gone to rack and ruin. If the member will check his figures and check with the municipal people themselves — I'm not talking of the urban municipalities I'm talking of the rural municipalities — and if he will go and check with them he'll find it's not as dramatic as he's trying to put it on the record. Thank you.

**MR. DEPUTY CHAIRMAN:** The Member for Rossmere.

**MR. SCHROEDER:** Thank you, Mr. Chairman. Just a response briefly to some of the comments of the Member for Emerson. I have been paying taxes on land in a rural municipality over the years. I can assure him that those taxes have been going up year by year. I can also assure him that when I speak to members of rural councils and rural towns that they are concerned about the basic drift — let them all hang out there and the I'm-looking-after-just-myself attitude of this government and the Federal Government is of concern to them.

In terms of some people not paying any property taxes, might I say that I support the program which was initiated by the former New Democratic Party government of having property tax rebates up to a certain amount with the balance being based on income-related calculations. I might say that I find the Member for Emerson's comments on that very interesting because they've now been the

government for three-and-a-half years. If they didn't approve of that particular type of support for municipal finance then they could very well have changed it. In fact that was one of the things that the current Minister of Mines and Natural Resources was saying back in the mid '70s, that if they got into government they would change that, they would do away with the property tax credits.

I would say, Mr. Chairman, through you to the Member for Emerson that I would just for argument's sake, just before an election please do that, I'm not asking you to do it for four years because I don't want those people to be hurt, but just do it just before an election so that we can put a little bit of icing on the cake and add about ten seats.

In terms of construction, I would say, Mr. Chairman, that the figures speak for themselves. The fact that there may be a few people who are busy in the house construction field is something that makes me very happy. I would just hope that a lot more of them would get busy. I would say that as long as we have a government that is starving the public sector and starving the municipalities, that it is going to be more rather than less difficult to get the construction boom going.

Now the \$70 million increase in aid to education is something that I think we should be addressing ourselves to as well. All you have to do is look at the figures to see what happened to education funding in this province when this government took over. If the Minister of Municipal Affairs wants to take credit for an extra increase in education financing in one year, then I would assume that he will also take the lumps for the manner in which education financing was just administered in such an abysmally, niggardly fashion from 1977 through 1979. The Chairman well knows what I speak of — the cutbacks in education financing in this province were things that reeked havoc on those that had less, on the poorer rural municipalities, on the city inner core and in the north. Those were areas that really were hit hard. The lower-income community college students, the lower-income university students, they were the ones that were hit by those types of programs and now in an election year it is true that there is additional funding which goes beyond the rate of inflation. We don't doubt that and we are happy to see that it's finally come, but to have the Tory tango performed for us in one more field, that is one step forward, a small step forward after three big steps backward during an election year is just not enough to keep us going. I know that if the Tories are re-elected they would probably try the same thing; starve them again for three years, and then they will let it go. But along with that \$70 million came some very interesting shifts and I think the Minister should be very concerned about those shifts, which will become more manifest as the years go on.

That is, first of all, the commercial rate on the Foundation Levy, as he well knows, doubled, while the farm and residential rate went up by something like seven times. Now in a year when you've added \$70 million into the mix you come up with something that doesn't look too bad. Most people in Manitoba in fact will pay less in education taxes than they did the year before; however, they've still got to pay the other \$70 million. That's got to come from somebody's pocket too and there is only one

taxpayer as the Tories were just so happy to remind us many years ago, there is only one taxpayer, so that \$70 million still has to be taken care of. But for this we are going to pay the piper about three or four years down the road when inflation takes its course with the new system. I suggest to you that what is going to happen is that the commercial rate is going to be decreased substantially as compared to the farm and residential rates. What we have seen is the beginning of a shift in property taxation away from commercial and against the farm and residential taxpayer. The fact that the \$70 million came into the mix is not something that is going to make people happy four years from now. It may be that it's very nice for this year; it may be that a lot of our taxpayers will be happy this year.

I might say that some of us won't be, because there is another little problem with that particular program, and that is for the first time in many years we are back to a situation where in the City of Winnipeg we are above that Foundation Program being put in a position where, for a substantial portion of education taxes, municipalities will be again vying for industry in order that they can cut down on their education taxes. You have, for instance, the University of Manitoba now paying taxes to Fort Garry to a much greater extent than they used to.

We used to have the Greater Winnipeg Education Levy, which allowed those districts with lower industrial bases, Transcona, River East and others, to benefit from the industry that is part of this entire city. Therefore none of our communities in the 1970s had to fight with each other to determine where business would locate, because what we were looking for is where is the most sensible place and the taxes will be distributed fairly evenly among all of the citizens of Winnipeg. That is now changed. As you can see, the sharing — and we talk about sharing — it is now provincial sharing. The sharing that Fort Garry does is less than it used to be under the old program. The sharing that Winnipeg 1 does is less than used to be under the old program, and so there are some serious problems with that new Education Finance Program.

So, again, the Member for Emerson and the Minister are referring to this new education financing program. Why we are talking about it in Municipal Affairs, I'm sure my seat mate, the Member for St. Johns, must be wondering about, but it was something that was raised by the government side and I think it has to be answered. We are not unhappy with the fact that \$70 million extra was put in. We are unhappy with the particular formula, because we believe that in the long run it is going to be unfair. I want to put on the record that I don't think that Winnipeg 1 should have been left in the condition that it was in the past; that is, having extra specific problems that weren't being looked after and funded. That was something that should have been put into a new mix, but what we have got now is completely inequitable as between farm and residential versus commercial and it is inequitable between some of the suburbs of Winnipeg and other suburbs of Winnipeg. So we're not happy with that either.

**MR. GOURLAY:** Mr. Chairman, we seem to be covering the whole waterfront here and I was just

wondering when we get into the line by line or the different branches of the department.

**MR. DEPUTY CHAIRMAN:** Well, I'm only an interim Chairman so if the Committee wants to change the approach you will have to give me some guidance here. We are on 1.(b) and the Member for St. Johns has indicated he'd like to ask a question.

**MR. CHERNIACK:** Mr. Chairman, the answer to the Minister is pretty soon, which is much more exact than most answers we get from government when they say soon, so I would say pretty soon.

Mr. Chairman, I came in while you were discussing some \$70 million that is supposed to aid municipal taxpayers who pay both municipal and educational tax. I'd say that \$70 million comes in part from borrowing, because their deficit is bigger than it's ever been and therefore it's borrowed money. It's not money that's raised any other way. The Member for Rossmere said that it was money which is helpful, but the fact is it's not coming out of any form of taxation. It will eventually, plus the interest on it that will have to be paid, it's also coming from \$24.8 million which I will now read from the Budget because the Minister was less aware of the Budget Speech than I was earlier this afternoon.

On Page 61 of the Budget Speech — I'm not speaking about Hansard, I was speaking about the bound copy given to us — I quote, "A further improvement — note the word 'improvement', Mr. Chairman — of \$24.8 million in the province's General Revenues will be achieved through the transfer to the Consolidated Fund of the balance remaining in the Special Municipal Loan and General Emergency Fund". Aside from the phony wording as an improvement being achieved, the fact is that money is being taken away from a special fund and put into Consolidated Fund and the point is it's being shown as revenue as if somewhere or other the province went out and earned or taxed or in somehow acquired an improvement of \$24.8 million to General Revenues, whereas all it did was to take away a special fund and throw it into revenues which is a one-time thing. So you could say out of that \$70 million that the government is so proud of, 24.8 is a one-time transfer from a special fund for special purposes, which we will yet have to deal with that deals with emergency situations, that's now being taken in a sort of a routine casual way into General Revenues, and which is depriving this government and this Minister of an opportunity to look for a special fund, which in part was set up for the purposes of lending to municipalities in case that they needed it for the works as described by the Minister earlier.

I must read the next sentence of this Budget Speech which reads: "The Act will be repealed during this session of the Legislature".

Mr. Chairman, my memory served me well. The Minister's memory, as both a Cabinet Minister who must have been involved in the discussions in Cabinet and a member of the Legislature who no doubt was there when this speech was read, didn't recall this and therefore said that the Act will be there if we ever need it. The fact is, Mr. Chairman, the Act won't be there if they ever need it and I think that's consistent with their philosophy that they're not going to worry about things like that; they'd

rather blame the Federal Government for withdrawing its program for which they may be correct, but no substitute, just the blame passes on and on and that is typical again of this government.

May I also point out that the Minister of Finance today took pride in reducing income taxation, which is clearly a progressive form of taxation, saying, look what we did for small business. The fact is a couple of years ago they reduced income taxation and this year they're saying, look how great we are. We have provided \$70 million more to relieve the municipal taxpayer, and indeed got it by transferring \$24.8 million out of a one-time fund and a one-time transfer; and secondly, putting the burden on the general taxpayer with interest by creating an even greater deficit than ever before. It's nothing that anybody should be proud of on the side of the Conservative government and one that we will have to keep reminding them about, since they seem to forget themselves, what their plans are and what their programs are.

**MR. DEPUTY CHAIRMAN:** 1. (b) — pass — the Member for Rossmere.

**MR. SCHROEDER:** Thank you, Mr. Chairman. I had hoped to get an answer from the Minister with respect to any study he might be doing or anything he might be proposing to do in the future with respect to allowing municipalities to get involved in growth taxes. I'm just wondering whether he can respond to that.

**MR. GOURLAY:** Mr. Chairman, this has not been an area that has had any study or discussions since I have become Minister.

**MR. SCHROEDER:** Thank you, Mr. Chairman. I would certainly encourage the Minister to so become involved because it seems increasingly clear that the Federal Government is doing everything possible to get out of funding programs in favour of municipalities, as he has seen, with the current Federal Minister getting out of the latest program. He's well aware of the manner in which the Federal Government is conducting its negotiations regarding the renewal of the RCMP contract. The writing is on the wall. It appears anyway that for some period of time the municipalities are going to be stuck with greater expenses.

Now the Minister can do it I suppose in one of a number of ways. One way would be, if for instance we get a bad deal on the RCMP contract by providing direct funding or paying a greater percentage as opposed to what they are presently paying. But another approach would be to look at providing several points of income tax to the municipalities. Okay, if the Minister wants to respond.

**MR. GOURLAY:** I appreciate very much your views on this. Certainly the situation is upon us where we may very well have to look at the whole financial contributions to municipalities in view of recent developments, in federal financing, policing and those areas that directly affect municipalities. Although I have not had the opportunity to sit down and discuss this in any detail, whether it be growth taxes or other forms of revenue to municipalities, it's

certainly an area that has to be examined I think in the very near future.

**MR. DEPUTY CHAIRMAN:** It's 4:30. Committee rise for Private Members' Hour.

### SUPPLY — EDUCATION

**MR. DEPUTY CHAIRMAN, Warren Steen (Crescentwood):** We are on Page 51 of the Estimate Book, on the Department of Education, Item 6, Universities Grants Commission \$115 million-plus — pass — the Member for Inkster.

**MR. GREEN:** Mr. Speaker, I wish to discuss this item on which there has been previously some discussion and perhaps some light has been thrown on the subject and also some misunderstandings have arisen from the subject. I think that it should be emphasized, Mr. Chairman, on the people of the Province of Manitoba and on the Minister of Education that those people now receiving post-secondary education of the academic type, which is dealt with by this Universities Grants Commission figure, have been receiving between 85 and 90 percent of the cost of their education from the public of the Province of Manitoba.

I say this, Mr. Speaker, because somehow there has been a fiction maintained throughout the province that people who are receiving university education are paying for it and because they are paying for it, it is somehow more worthwhile and that they are more deserving of receiving it. It indicates their desire to have the education — that is indicated it is suggested and I suggest, wrongly suggested — by the fact that they are willing to pay for their education. The tuition fees which they pay, Mr. Chairman, are now neighboring between \$550 and a goal as high as \$900, and I suppose the medical faculty will even go higher than that, \$900.00, and I have always considered that to be a fair bit of money, although in today's currency it apparently isn't that much, or the Minister would say that it's not that much.

When I was a youngster I can recall that university tuition fees were in the neighborhood of \$150 to \$250.00 — I wouldn't be exact on that but I'm fairly certain that they would be between those two figures — and I can remember, Mr. Chairman, that my family was not a wealthy family. I wouldn't say that we were poor — we were certainly not poor in those necessities of life that are required to maintain body and soul — but we certainly were of an income group where the entire surroundings, the entire population considered the payment of \$150 to \$250 to continue education to be out of the question. If it was not a financial barrier, Mr. Chairman, it was a psychological barrier. It was the notion that people who have money can afford a university education and people who don't have money, they enter the workforce in one way or another and start participating in either their own cost of living or more likely they were expected to contribute to the board and room that was at that time sustained by their parents.

Mr. Chairman, I'm aware that times have changed. I have five children of my own, four of them who are no longer resident with me, and I'm aware at the present time people once they reach what we call the

adult level, very often do not live with their parents, very often find their way into the labour force earlier or with appropriate conditions can obtain student aid for the purpose of furthering their education; and we spend I see \$6 million on student aid.

If you took that \$6 million, if there wasn't such a thing as necessary student aid — and I'm not suggesting that there shouldn't be — we would be perhaps \$15 million away from the cost of paying all post-secondary education at the vocational and academic level for those who are now taking it. I say that advisedly because I don't intend that that should be the conclusion of my submission.

But what was the psychological and cultural feature of determining who takes post-secondary, and in particular academic education, has not really changed. The fact is, although there are some homes and they are still the exceptions in the lower income groups where great stress is played upon people getting a higher education, there is a complete cultural gap in a broad part of our community which results in people just not feeling that post-secondary education is in the cards. I think that there was an editorial in the Winnipeg Free Press which said that you have to convince these people that they should want an education and that if they were convinced to want an education that the financial barrier would not be a problem.

Well, Mr. Chairman, we don't have to convince at least a large majority of the population of the value of secondary education. There are dropouts and I know that there are dropouts and it's probably also the case that the dropouts would be higher in the lower income groups than in the higher income groups, but certainly we know that secondary education, although it involves quite often 16 and 17 year olds, is still participated in by a great many people, more people in the population than is post-secondary education. I remember the post-secondary education of the academic variety used to be I think in the neighborhood of 15 percent of the population — I don't know whether it is still that figure — but I would expect that it is somewhere around there and perhaps the Minister will give us a better figure than what happens to be my guess — 19 percent, okay. So we're between 15 and 20, it's not that dramatic.

—(Interjection)— From high school to university. Well it would be 15 percent surely of the amount who attend primary education. In other words, from secondary to post-secondary is 19 percent but the 19 percent would not be higher than 15 percent of the number of children who went to school in the first place and I think Mr. Lorimer is indicating that is correct. So that figure is not different, Mr. Chairman, than what is used to be.

The point that makes me angriest is the suggestion that these people are entitled to it because they are paying for it. Now, Mr. Chairman, I believe there is no such thing as free education and when I suggested that you remove the tuition tax, I wasn't suggesting free university or free post-secondary school. I was suggesting that it be done at social expense to the extent of 100 percent rather than at social expense to the extent of 85 percent because if we are already paying 85 percent of the cost — and we determine that the people who are taking advantage of it are generally the middle and upper middle class — then we find that we have

anomalous situation that the tuition tax is high enough to keep out the lower income groups and yet low enough so that 85 percent of the cost is being subsidized by the taxpayer.

Mr. Chairman, there have been two arguments about whether it is wise to eliminate this last vestige of individual cost from the post-secondary education; one of them has to do with the fact that it would increase the social cost. Now, it need not increase the social cost by one cent. If we are determined the amount that should be payed in university grants is the sum of \$115 million, plus the \$5 million that goes to student aid — so you have \$120 million — and you are convinced that's the amount of money we should be spending and we shouldn't be spending one cent more, we can do that merely by limiting the access to education and that is done in several faculties at the present time.

I know it was done in the law school; it's done in the school of medicine; it probably was done in the dental school and could be done in the other areas if we were going to say that cost is a limitation. Therefore, Mr. Chairman, it would not cost one penny more if we based university entrance on some achievement performance, then limited the number who attended, we could keep that to \$115 million. I'm not suggesting that we do that. But those who are concerned with cost and say that we can't spend more, it seems to me it would be better to ration university education on the basis of choosing those who have shown some academic achievement than to ration university education or post-secondary education by choosing those who happen to be able to put up the first \$700.00 and that's the way the rationing is achieved now, Mr. Chairman.

We ration post-secondary education in our society on the basis of who can put up the first \$800 in tuition fees and the result of that rationing has been historically, and is still at the present time, that post-secondary education of the academic variety has been made available at huge social subsidies by they entire population to the middle and upper middle class of our population. I want to say this especially for those people who have been running around saying that people should pay for their education and that it should not be something that society does. If we are to adopt that formula, if that's what the Minister says should happen, then let's do that, Mr. Chairman.

Again, I want to make it clear that this is not my suggestion. But if \$115 million is 80 to 90 percent of the cost of sending a child, a young adult more particularly, to post-secondary education then that figure means the students are now putting up 20 percent — let us assume that is 20 percent — 20 percent is \$800.00. Let's make it easier figures, 20 percent is \$1,000.00. —(Interjection)— All right, Mr. Speaker, that makes the argument better, it proves that we are subsidizing them by 90 percent. I've been using figures which would lend weight to those who are arguing against me because I don't like to guild the lily. But if the student is only putting up 10 percent and the state is putting up 90 percent, then those people who say that these people are paying for their own education do not know just what a misrepresentation has been perpetrated on them. Society is paying 90 percent of the cost, they are paying 10 percent of the cost. That means the

person who is paying \$800 is getting \$8,000 worth of education. Is that not correct? Okay, Mr. Speaker.

Now I've heard from Conservatives and I've heard from other people in our society, they should pay for it themselves. If they really mean that, then why not raise the tuition fee to \$8,000? Why not raise the tuition fee to \$8,000 and that would have the effect, Mr. Chairman, of reducing the necessity of putting up \$115 million in taxation; that would reduce sales tax by 2 percent, 50 million per point; and those people would save their 2 percent in sales tax — everybody would save 2 percent in sales tax — and we would send people to university and the fee for going into university would be \$8,000. That's really the position that I hear from those Conservatives and those others who say people should pay their own way. Why should we put a person into university to loaf around and have a good time and have the society pay?

Now that's the argument, Mr. Chairman, that is made against social payment of university fees. They make that argument without knowing that 90 percent is now paid, and that's the Minister's figure; I would have preferred to use 80 percent so that I wasn't gilding the lily but the Minister says 90 percent. Okay my Conservative friend. Here you can reduce sales tax by 2 percent, because sales tax produces about \$50 to \$55 million per point. You can have a 3 percent sales tax and charge everybody \$8,000 if they're going to university.

Now, Mr. Chairman, there would be screams throughout this society and who would scream? Those people who are now getting 90 percent of the education cost paid, because how much will 2 percent of sales tax save them? 2 percent of sales tax, Mr. Chairman, probably would not save them \$200.00. But they're getting \$5,000 education grants free, or they say free because they're collecting 2 percent in sales tax not only from them but from every working man, from every factory worker, from every person who does not have the cultural tradition and money, Mr. Chairman, because it comes down to money, to think in terms of post-secondary education for his children. So we have figured out a neat way of subsidizing the rich, a neat way, and I want to emphasize that because I have heard from many people that the people in university should not have their tuition in the same way as secondary school because they should pay for it themselves. Do they know what they are saying, Mr. Chairman? Because if they say that, and I'm going to use the Minister's figures, if it's a faculty where the tuition fee is \$600, they'd have to pay \$6,000 if they had to pay for it themselves, if we used conservatism. If it's a faculty that pays \$800, they'd have to pay \$8,000.

Do you believe in that? Do it, do it. Take off 2 percent of sales tax. Here's a chance for the Conservative Government. You can go out to the public of the Province of Manitoba and say we will reduce the sales tax by 2 percent. Wouldn't that be lovely? They probably wouldn't do it, Mr. Chairman, because they need that money, but they could reduce their deficit by \$115 million. Just think of how much more nicely it would have been for the Minister to have faced the Legislature and said, "From now on our deficit is not going to be \$220 million but \$100 million, just been cut in half. The Member for Inkster has just shown the Conservatives how they

can cut their deficit in half in one stroke of the pen, one fell swoop of the pen." —(Interjection)— Thank you, the Member for Elmwood. By the way also practise ideological conservatism. They're going to pay their own way. Doesn't it sound good? Mr. Chairman, I think that some of the members — the Member for Springfield and the other members who are sitting in the House kind of think that this is a good idea. They weren't aware that we're already subsidizing 90 percent of the cost. If as many of them believe — I'm sure the Member for Gladstone, he believes surely that people should pay their own way for post-secondary education. Don't you believe that? Sure you do. You said it several times. If a person wants to go to university let him pay for it. Don't give it to him for nothing. You're giving him 90 percent for nothing now.

I'm going to show you how to save \$115 million off that deficit. Cut that deficit by \$115 million. Practising conservatism. (Interjection)— Yes, I knew that I'd find a sympathetic ear with the Member for Gladstone. —(Interjection)— Mr. Chairman, I know that I am finding a sympathetic ear. So what would we have? People would pay their own way. The Conservatives would be able to cut the Budget by \$115 million. But, Mr. Chairman, they don't want to do that; they don't want to cut taxes by 2 percent; they don't want to cut their deficit by \$115 million. Do you know why they don't? Because they want the general taxpayer, and generally the one who is unable to afford it to subsidize the middle and upper income groups on post-secondary education — 90 percent. Those are the Minister's figures, I would have said 80 percent; I think that I could probably sustain that, but I'll go by his figures — 90 percent, and where is the money coming from? It's coming from the clerks, the stenographers, the factory workers, the meat packers, generally from the population, 85 percent, Mr. Chairman, of whom their children haven't been able to take advantage of post-secondary education. That's the Minister's figures. He says 15 percent of the children go, so 85 percent of the children do not go. Where's the arithmetic? 15 percent of the children go, 85 percent of the children do not go — that makes 100. I say that the 85 percent who don't go are largely in the lower income group. If you took the normal curve you will find that those who go to post-secondary education, particularly academic and this is university grants that we're talking now, we're not talking community colleges, you will find that it is heavily weighted in the lower income groups.

Mr. Chairman, there is a conservative program and there is an answer to those who say that those people making use of post-secondary education should pay for it themselves. If we were practising conservatism and if we weren't anxious to pick up that money from the general taxpayer to subsidize people in the upper income groups, we would do what I say. We would do what I have hypothesized to be a more conservative program, but we won't do it, Mr. Chairman. I'm not advocating it, of course; I'm giving that as an answer to those who say that people should pay their own way. Now, Mr. Chairman, that's one answer that I get.

The other answer that I get is that we should not molly-coddle people; that requiring them to put up the first \$800 means that they will have to work to

obtain their education. Mr. Chairman, I can tell you that I am very sympathetic to that position. That position is engrained in my upbringing. I can tell the Honourable Minister that's the way I became educated myself, is that small portion which was required of me and which the state did not pay I worked for and I generally paid my own way, generally. I'm not saying that my parents did not help me and in those days we lived at home. In those days it was just absolutely abnormal for a person to want to rent an apartment when he could stay at home, but today it's the exception that lives at homes. They generally want to live on their own. Therefore they undertake that expense and they probably work harder too. I don't think that the youngster works less hard now, he probably works harder than we did.

But nevertheless the Minister says he believes in the work ethic — I believe in the work ethic. If that's to be a criteria, let it be a legitimate criteria. Let it be one of the criteria for taking post-secondary education, that the \$800 that you are putting up you worked for, and that you will show where you were employed and that it was not merely to answer the phone for your father during the summer months, but that you went out and you worked, and you brought to the university with you a sweat certificate that said that the \$800 that I am putting up as tuition I sweated for. If they don't have such a certificate, then they don't get the subsidy. Is that what the Minister wants? Because he will have a friend in me, provided, Mr. Chairman, that we are able to say yes to the person who wants to go, there is work available. You want to go to university, there is work available, you will show that you have this much work and that you worked this hard for yourself and the \$800 is not being given to you as a gift, it's not being something that you are coming by solely by means of the goodness of your parents; you produce such a certificate. And that everybody has to produce a certificate that they worked and that's where they got the \$800. Then, Mr. Chairman, you will satisfy the work ethic. But none of these arguments presently exist as part of the feature of our post-secondary educational financial system. Therefore, Mr. Chairman, I dismiss them.

I say that post-secondary education should be the same as secondary education, that society will pay; they will decide how much they have to pay; the payment will not exceed what we are now paying, if we don't want it to exceed it; and the student will be educated in the same way as he's educated at high school. If there has to be a selection process, and I know that this has its dangers; I worry a great deal about an exclusion on the basis of merit so-called, where you have the merit established by other people — I know that's dangerous — the Minister will not have to convince me of that. But it's more dangerous to have the selection process based on the fact that somebody who can put up the first \$800 — that's also danger, and as between the two dangers, Mr. Chairman, it seems to me the way we operate at the secondary level makes more sense than the way we operate at the post-secondary level.

So, Mr. Chairman, let me summarize as follows. I agree nothing is free. There's no such thing as free education at the first level, the primary level, the secondary level or at the post-secondary level. It



costs us money and we as a society have generally come to the conclusion that it's worth doing because in the long run it adds wealth to our society, it doesn't reduce from the wealth of our society, and that it is to the benefit of all of us that socially we pay for the educational system rather than individually.

Secondly, Mr. Chairman, that nobody now pays for post-secondary education; that the tuition fee is if anything a nuisance or rationing fee; that 90 percent of the cost is already borne by society generally and not by the individual who happens to be attending; and that therefore shouldn't be any smug satisfaction on the part of people who now pay a tuition fee that they are paying for their own education because they are not. It has been paid for by all of us.

Thirdly, Mr. Chairman, that providing it's all at social expense it need not cost 1 cent more in taxes, because we can operate a selection process if it is necessary. If that selection process wishes to maintain the figure as it is now it can be done so.

And lastly, Mr. Chairman, that if we were really to implement a pay-as-you-go policy, it would mean tuition fees, not of \$600 but of \$6,000; not of \$800 but of \$8,000, and could result in reduced government expenditures of \$115 million and that even the Conservative — although this sounds like a desirable objective — would never embark in that direction because it would do two things, Mr. Chairman. It would remove the subsidy that is now being paid by the general population to middle and upper income groups and secondly, and to be more charitable about the motivation, in the long run it would hurt us, it wouldn't help us; because to the extent that we did not have a well-educated society and provide the kind of opportunities we are providing through social effort on the part of all of us, our society would not gain, it would suffer. Therefore I want to urge, Mr. Chairman, that a start be made towards extending — I'm not even asking for anything revolutionary — I'm asking for something that is progressive, not revolutionary, that we progress from what we did when I was a youngster.

When I was a youngster, high school was Grade 11. We added first-year university to high school. We went to Grade 12 and it became first year. Is that not right? I'm certain that it's right. (Interjection)— Yes, I don't even have to think about it, it is right. Then there became three years of arts instead of four. I'm now saying that we go to the second year, what probably a Conservative or a Liberal administration did in progressing one year, progress another year and provide that what is now first year in every faculty be available at social rather than individual expense because it is being progressive. Since we have seen it as a progressive move, we should continue to see it as progressive.

**MR. COSENS:** Mr. Chairman, I've been quite interested in this latest plank of the Progressive Party that the Member for Inkster has brought forward. I suggest to him that it's not a new plank and it's probably even a bit termite-eaten because it's been around for some time and debated at great length in university circles and outside those circles.

But I say to the Member for Inkster, Mr. Chairman, that in fact it is not just some 18 or 19 percent of our sequential students that are going on to post-

secondary education. We are talking about some 19 percent who are going on to university education. When we talk about post-secondary let's remember that there is probably another 12 percent going on to community colleges which brings us up to roughly 30 percent. We have young people going into training as nurses and into private trades-training institutions; some are training on the job in industry, so perhaps we could even move that figure up to some 40 percent in total of the young people in our Manitoba society. So the figure of 19 percent of course, just applies to universities.

The honourable member is quite correct when he says, yes, the Manitoba taxpayer is supporting a large part of that student's education. I said to the honourable member while he was speaking that some 90 percent is paid by government. I want to make sure that he understands that is not all Provincial Government, some 84 or 85 is direct provincial money. Other moneys accrue to the university from the Federal Government in the form of research grants and so on, so we have 10 percent approximately left that is paid by tuition fees.

Of course, Mr. Chairman, it really doesn't matter what government we've had in Manitoba, whatever political stripe, they have all supported this particular policy of the government providing a major share of the costs of university operations and that students in turn should make some contribution themselves. Not only in Manitoba, Mr. Chairman, but I believe with only one notable exception, this holds true across our country. I believe in Newfoundland at one time under the Honourable Mr. Smallwood they did abolish university tuition fees for a brief period and then returned to that concept again because they didn't feel it was doing what they had expected it would do.

The honourable member, Mr. Chairman, predicates his whole statement on tuition fees, on the idea that the present system of requiring students to pay some 10 percent of their costs at university is discriminating against some young people in our society. He maintains that those from lower-income families are discriminated against; they are prevented from going to university because of that tuition fee. Now, Mr. Chairman, I haven't seen the latest figures. I'm sure that if we did a study of the different social and economic groups in this province we would probably find that the majority of university students do come from the middle-income and upper-income groups in our society. We would find this across this country and across North America and no doubt it holds true in most of Western Europe as well.

But, Mr. Chairman, I submit to the honourable member that is not because of financial cost of attending university. In fact in a survey that was conducted a few months ago in connection with student aid they surveyed several people in their early 30s who had not gone to university from different social economic groups and asked them whether money had been the problem. Some 8 percent at that point in their life said, yes, I didn't go because I didn't have the money — 8 percent of the group. Now I don't know how many of that 8 percent were from a lower-income group; perhaps they were from a middle-income group and didn't feel that they wanted to invest that money in a university education.

So I certainly find myself really opposed to this idea of the honourable member's on the basis that I am not sure that is — I'm convinced it isn't — the sole reason or the major reason why young people from a lower-income group don't attend university. We find in fact that there is a tendency for young people to attend university who have parents who attended university. In other words there is a motivation and incentive that is provided by the home environment and that's the chief determiner apparently of what careers and what type of post-secondary education young people enter — the chief determiner is the home and the home environment — so I would say to the honourable member it isn't a matter of abolishing tuition fees which after all only amount to something less than one-third of the university expenses for a student in a year. It's a matter of looking at ways and means of encouraging those very able young people who may come from a lower-income home to consider university education.

Once again, Mr. Chairman, let me say — and I think the Honourable Member for Inkster would agree — that university education is not for everyone. It's not desirable; it's not plausible; there is only a certain percentage of our society that probably should go to university. It has nothing to do with economic background whatsoever; it has something to do with their innate ability to study at a university to pursue an academic career. So I certainly take great issue with the honourable member's contention that the reason young people from lower-income homes are not going to university is because they don't have the financial wherewithal. Certainly Student Aid, some \$6 million of it that he mentions, is there to help that type of young person and it is helping them. So that part of the argument I have some trouble with, Mr. Chairman.

I have no problem as a Conservative — in fact I don't think most members have any problem regardless of their political background — with the idea that society would support university education basically and fundamentally for the reason that society maintains it is something that is valuable to our way of life, to our very existence. The person who hasn't gone to university and who develops a toothache is very appreciative of the fact that he can go to someone who has been professionally trained and university trained and who is able to do something about that toothache. When someone in our family is ill we are very pleased that universities have provided training in the medical sense to do something about that particular suffering or illness that a person may have. I can go on and on — and I know the honourable member doesn't dispute that — and that's the main reason, Mr. Chairman, that society is prepared to provide, let's say, that 90-percent funding to support the education of young people at our universities because we realize it's fundamental and essential to our way of life, to the productivity, and just to the very quality of life of our society. People are prepared to provide that support. Certainly I have problem with the honourable member's concept here because if we were to abolish tuition fees we would be doing something counter to what I think he believes in and that is, we would be subsidizing even further those who are quite able and willing to make some contribution towards their own education in the way of tuition fees.

So on the one hand in order to help what he feels are people who don't go to university because of having to pay 10 percent of the cost, on the one hand then we would be looking after that area — and I'm not convinced that there is a real need there — and at the same time subsidizing those who are quite prepared to pay their 10 percent, their share of their education.

Mr. Chairman, I really find the whole argument interesting but I say to the honourable member I was in a country where they don't have any tuition fees. I talked to university people and I talked to students. I found out that only one out of every four or five students that wanted to go to university were able to go and only one out of every four or five; the rest were told you won't be admitted, we only take so many but of course we pay all of the costs. They also, of course, those students that they did select graduated, they told them where they were going to work as well. The country was Russia, Mr. Chairman.

I don't think that's a system that we're prepared to move to in this country. We still believe, Mr. Chairman, that society values university education, is prepared to support it and at the same time we believe that the young people who attend should make some contribution so that they feel that they have made some contribution to their own education. Again, that is not unique to this province; it is found across all of North America.

Now there are exceptions. There are universities in the country south of our border where they charge full tuition and students may pay \$8,000 a year or even more I suppose in some more exclusive colleges in the United States, that certainly eliminates certain people from university; there is no doubt about it. We recognize it; governments in this country realize that we're not prepared to move to that system. If you were to move to that system, Mr. Chairman, then you would have to look at a very much magnified student-aid system indeed because it would eliminate I would suggest probably 80 percent of the young people we now have attending our institutions.

So I have great problems with the honourable member's stance on this particular situation, Mr. Chairman. I really feel that it is not the solution; that it's based on the premise that the reason young people from lower-income groups don't go to university is financial; I dispute that; I don't think it is. I think it's a matter of a number of factors and I've mentioned it before — home motivation, home incentive — and that doesn't apply just to lower-income groups, that can apply to middle or higher-income groups as well, Mr. Chairman. One of the biggest factors seems to be if a child comes from a home where the parents have had a university education or for some particular reason feel that is a valuable type of post-secondary training for their child. I've know many and there are perhaps people sitting in this particular Chamber at this time who came from homes where certainly there has not been a background of university education, but it was something that was part of their culture, part of the belief of their parents that was an aspiration they had for their child, and they wanted him to go on and receive that type of education. Mr. Chairman, that still exists today. The honourable member mentioned secretaries, people who work in meat-

cutting plants, truck drivers. I know people like that whose children have gone to university, many of them. There is no exclusion of people from any particular economic class, it's open to all.

Certainly the honourable member, although he didn't become too adamant on this point, I know that he has some strong feelings about the qualifications of people entering university. Again, I think we all want to see that the most able, those with that potential and that ability are those who enter our universities. But by and large, Mr. Chairman, that is what has happened. Certainly, we may have some who enter and find that they are misplaced, that is not their right spot in life, that they should be looking at something else, and they realize that rather early in their university career and transfer to some other type of training, but they have had that opportunity and I think that opportunity should be there for them to find that out for themselves.

I am rather apprehensive about a board of people deciding who always is most able to succeed in the academic sphere. Sometimes those who have not had a rather outstanding high school career go on to university and become very outstanding university students. I admit quite often they are the exception, but there are enough exceptions to give reason for pause on that particular topic, Mr. Chairman.

So once again, I merely state that I have great problems with the idea put forward by the Member for Inkster. I feel that it would not solve what he identifies as a situation that needs some rectifying. I suggest to him that as each year passes by, we are seeing more young people from lower economic classes considering university education, and I find that encouraging. I think the fact that we saw the participation rate this year increase from last year is encouraging. Again, we don't have any statistics to show where those young people are coming from, as far as their economic background is concerned, but I think it's encouraging that we're seeing an increase in that participation rate, not only at our universities, but at our community colleges.

So, Mr. Chairman, I merely reiterate that although the honourable member puts forward an interesting proposal, it's one that hasn't worked in North America with any success. It may be an interesting plank in an election platform, and it may look appealing to some people who are considering attending university and who are told, "Well, you can have a free ride". But I would suggest that it will not solve the basic and elementary problem that exists here.

**MR. GREEN:** Well, Mr. Chairman, I suppose that everybody who says something is hoping that what he says commends itself to the public. I assume that what the Minister says is a good election platform, because if he didn't believe it was a good election platform, he would be saying something else, because I assume that the Minister wants to get elected. I assume that what he is saying, he believes commends itself to the people of the Province of Manitoba. He does, Mr. Chairman, he does say that. So he's hoping that as a result of what he says, people will vote for him. I don't see why, Mr. Chairman, he has to dismiss this suggestion. I wish he would reflect on his last words: "This will appeal to some people that are looking for a free ride". This is what I object to, Mr. Chairman. The people who

are now going are getting a free ride, 90 percent, a free ride. I object to the suggestion that the people who couldn't afford that 10 percent are any less entitled to the ride.

Yes, I do think that what I'm saying should commend itself to the people of the Province of Manitoba. I do agree that it's been said before. I do agree that no governments have yet done anything substantial toward implementing it recently, but they did 30 years ago, when they made Grade 12 first year, and they'll do it again. We're just a little bit before the time.

I want to tell the Minister that there are colleges, academic colleges in the United States, that do it now. (Interjection)— Then it's not so outrageous. The Minister didn't have to go to Russia to find it. You can go to Germany; you can go to Sweden. Well, Mr. Chairman, he doesn't have to go to Russia to find a place where only a certain number who want to go, can go. How many people do you think want to go to medical school, and how many go? — (Interjection)— That's right. You don't have to go to Russia, you can go to Manitoba and you'll find that there's a selection process that only the medical school — how many will it take, will it take a hundred? It used to take 80, I don't know what it'll take now. How many people do you think want to go to medical school if they could go? Five hundred? One out of every four is told that they can't go, and it's not in Russia, it's in Manitoba. So let's get rid of these specious examples that are designed, Mr. Chairman, as election material. Somebody is asking what goes on in Russia. There is in the United States, I believe at New York University — one of the universities in New York, I don't know which one it is, has been a college which accepts anybody without a tuition fee for many years. Is that Russia?

**MS. WESTBURY:** New Zealand does it.

**MR. GREEN:** My friend, the Member for Fort Rouge, says that New Zealand does it. Are they Communists in New Zealand? Are they Russian? Well, Mr. Chairman, why are we discussing Russia? There are European countries that have made post-secondary education — and I agree with the Minister, I don't want to limit it to university education — but the Minister did the same thing for the community college education. He increased the fees by many times in the community colleges, and has been increasing them by the way in the universities.

Although the New Democrats did not do as much in this area as I believe they should have, the amount of the tuition fee is now a higher percentage of the cost — and I'm not talking about the federal cost — than it was four years ago. The amount of the tuition fee is a higher percentage of the cost — I know the Member for Burrows has worked it out — than it was four years ago. That's the figures we have, and if I'm wrong, Mr. Chairman, I'll be happy if the Minister will correct me, because I don't like to be wrong even if I have to be corrected by him. But the fact is that we believe that the amount that the tuition fee pays for is a higher percent now than it was four years ago. The Minister is shaking his head. I'll be happy to be wrong, because I'd prefer it was the other way. In the community college, the fees have gone up.

Mr. Chairman, I never said that it's the fee alone that has been the major feature in keeping people

out. If the Minister can only answer me on the basis of that argument, it shows that he won't direct himself to what I said. I distinctly remember saying, Mr. Chairman, that there is an entire cultural gap, there is a psychological gap, and that gap can only be removed by removing the distinction that prevails when we leave secondary school and go to post-secondary school.

Also, I dispute his figures. He said 19 percent go from secondary to academic, but by the time you are dealing with the secondary to academic, you have already weeded out a substantial group. Therefore, when you get from the elementary school, the number of people who started school to the number of people who will go to post-secondary academic, you won't be higher than 15. If it's only 19 between secondary and academic, then it won't be 15 between primary and academic. I agree, Mr. Chairman, I'm not talking simply about university education, but I happen to be dealing with the line of university grants. I'm talking about post-secondary vocational education, and post-secondary education of all types.

I would frankly prefer if the system that we use now remain the system, and that is that we accept people on the basis of their willingness to come, and that we do not have a selection process, but the Minister will have to admit that there is a selection process in many schools now of post-secondary education. If your money were running budget-wide in such a way that you couldn't handle it — in other words, if we suddenly found that 30 percent wanted to go; if I was right and 30 percent then wanted to — you'd have to have a selection process, or you'd have to increase this figure. I would prefer to increase the figure, but if my budgetary restraints were such that I couldn't, then at least I could guarantee that it wouldn't cost more money, by maintaining the same numbers that we have now.

I would concede, if it requires any concession, because I think I said that there are arguments on both sides of this question, Mr. Chairman, but I don't think the argument is satisfied by saying that somebody is offering a free ride, because I offer no free rides. To the extent that there is a free ride, it is now being offered 90 percent free. So to the extent that is there, it is being offered by the present Minister. It really is an effort, Mr. Chairman, to change what the Minister has proved by his own words to be a cultural inertia relative to people in lower income groups insofar as post-secondary education is concerned. He says sometimes it's the parents who instill in the youngster, and the parents went to university, but if the parents went to university, then the chances are they are in the upper, or upper-middle income group, so we're back to the same thing.

How do you undo the cultural inertia, which the Minister will have to agree by the figures exists; which somehow results in less of the people in the lower income groups being motivated — if the Minister will have it — to improve his prospects of self-realization through either vocational, post-secondary vocational, or post-secondary academic education. That's what this is for, Mr. Chairman. The political stakes, it could fall either way. I mean, what I'm saying could fall either way. There are people who say, "Let them pay for it themselves". They

don't really know that they're only paying 10 percent now. There are people who could say, "That sounds like a good idea". I haven't measured that, and I tell the Minister that I don't know whether it's a good political plank. I will agree that it is a very old plank, that it has been brought out on numerous occasions, and that it's always reusable because it's never been used. I would hope that some day a government will use it.

**MR. DEPUTY CHAIRMAN:** The Member for Fort Rouge.

**MS. WESTBURY:** Yes, thank you, Mr. Chairperson. I just have a question about the University Grants Commission. For a long time, both universities and student organizations have been asking that the University Grants Commission hold more public meetings. I would like to ask the Minister, Mr. Chairperson, how many public meetings the UGC held in 1980, or in the last year of record, and how many are planned for this year?

**MR. COSENS:** Mr. Chairman, I understand there were none held in the past year and none contemplated at this time. I believe about two years ago the Commission did hold a public meeting and it was very poorly attended and there was little interest from some of the groups who sometimes lament that there aren't more public meetings of the Commission. At that time it was not evident to us that there was that much public interest in having input to the Grants Commission at an open meeting, so there has not been an open meeting since; we don't contemplate one at this time. I think there are probably avenues that groups can approach the Grants Commission if they so wish.

**MS. WESTBURY:** I thank the Minister for his answer, Mr. Chairperson, and I would like also to confirm what I said to the Member for Inkster when he was on his feet, which is that my native land of New Zealand does indeed have tuition-free universities, and when the students are there they pay no fees, they pay for their books I understand, and then if they fail their courses and want to come back again, then there is a fee attached. I just wonder, in view of the fact that this has been brought up, perhaps the Minister could at some time in the near future investigate the system in use in New Zealand and the system by which the funding is achieved by the universities.

**MR. DEPUTY CHAIRMAN:** The Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I found that a very interesting discussion and I just want to make two points. One is that I have to remind the Honourable Minister that since 1917 I think it has been the Soviet Union, and the other thing is, I was wondering whether the Minister could explain how all of the MLAs got here, because I don't know of anybody who had a father or a mother who was a politician, and inertia or example doesn't seem to explain the origination of the careers of 57 MLAs.

Mr. Chairman, the other day when we were last on this subject, some two weeks ago, I raised with the Minister the matter of the lifestyle course that was

planned for the Minister by the Curriculum and Policy Review Committee and was apparently steered off to the side by him; as I said at that time I felt that he had rejected the recommendation, but was simply being polite or maybe was afraid to seize the bull by the horns. There was an interesting letter that appeared in the paper on April 18th by the Manitoba Women's Institute, who apparently clarified their position in this letter, and I think were concerned that they were being tagged as the so-called foul guys and wanted to make it clear that they were in favour of a mandatory lifestyle course being introduced into the high school curriculum. This letter was signed by Lois Eadie, the President, and Gwen Parker, the Executive Secretary, and postmarked "Dugald".

**MR. COSENS:** Mr. Chairman, just on a point of order.

**MR. DEPUTY CHAIRMAN:** On a point of order, the Minister of Education.

**MR. COSENS:** I think we have the university funding under consideration at this time, and if the honourable member wants to pursue that topic, we can perhaps do it under my Salary.

**MR. DEPUTY CHAIRMAN:** Would the Member for Elmwood try and stick to University Grants, please.

**MR. DOERN:** I will refer to that tonight.

I then ask a couple of questions of the Minister, I don't know if he can clarify these, but these concern athletic complexes; one the U of M, and one the U of W. There is a report that UMSU appears to have second thoughts about contributing to a field house or winter sports complex on the Fort Garry Campus. They apparently promised a couple of years ago to provide \$675,000 towards a \$6.3 million dollar complex and they appear to be backing down. I wonder whether the Minister could give us an update on that particular project. Is it going to proceed and are the students going to participate?

**MR. COSENS:** Mr. Chairman, I can't give the honourable member any assurance as to the status of the students' contribution at this time. That is a matter between the University and the Students' Union. I can tell him that the project, to my knowledge, is going forward and that it is being funded largely through a public prescription to the university and through contributions from a large number of supporters of the university.

**MR. DOERN:** Mr. Chairman, I would also ask the Minister about the University of Winnipeg's field house, which you yourself were involved in, in the sense of being interested in the development of a proposed \$8 million track and field house complex. According to a news report of a few months, the U of W administrators and students said they would prefer a basketball complex rather than the track and field house. We may have discussed this already, I have raised it a number of times in a number of Estimates, so I don't recall whether the Minister responded to this, but I ask the Minister if he can report on these two projects; namely, the proposed track and field house and secondly, the so-called

basketball complex, which apparently the U of W would prefer.

**MR. COSENS:** Mr. Chairman, I can only report at this time that there has been no final resolution of that matter, it is still pending, and consideration is still being given to some final resolution, but at this point it hasn't been reached.

**MR. DOERN:** Mr. Chairman, I would then like to refer to a number of points made by the Manitoba Organization of Faculty Associations in their brief of February 26th to the Minister. One point I wanted to ask the Minister was why he didn't attend the meetings with the faculty? I am informed that there were two meetings on March 3rd and 5th and that he himself did not participate in that presentation nor was not present to receive those briefs. I would ask him whether that is so, and why he wasn't there?

Then I would ask him a more general, but more serious question as to whether or not he feels that he has had sufficient funding in the past few years for higher education, whether he is able to obtain his fair share of provincial revenues, or whether he feels that the Finance Minister is calling the shots when it comes to the provision of funds for higher education? If so, then I have to say that he better build up his muscles, because education shouldn't be directed by the Finance Minister, it should be directed by the Minister of Education.

**MR. COSENS:** Mr. Chairman, I would have to check the particular dates that the honourable member refers to regarding meeting with the Faculty Association. I did meet with the Faculty Association in my office this spring, received their brief, and had what I thought was a worthwhile discussion at that particular meeting. Now the honourable member may or may not be referring to that particular meeting, but I can assure him that it did take place and I believe that almost annually we have had a similar type of meeting and I always look forward to that opportunity to discuss their concerns with them.

As far as the matter of the levels of university funding, the honourable member says, "Is it enough?" I am not sure, Mr. Chairman, what can be regarded as enough in this particular area, and it depends just who one happens to be talking to whether we get the answer as to what that particular amount of money should be. I suppose, Mr. Chairman, one can look at university funding across this country, and if we do compare the amounts that different provinces are providing to their universities, the annual increase, I suggest to the honourable member that an increase of some 13.8 percent in operating support this year is one of the highest levels of support in Canada and on that basis, Mr. Chairman, perhaps we are doing reasonably well in comparison with other provinces.

**MR. DEPUTY CHAIRMAN:** The hour now being 4:30 p.m., it is time for Private Members' Hour. I am leaving the Chair and the regular Chairman will return to Committee of Supply at 8:00 p.m. this evening.

#### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** We are now under Private Members' Hour. On Mondays the first order of business in Private Members' Hour is resolutions. We are dealing with Resolution No. 17, the Motion of the Honourable Member for Fort Rouge.

**RES. 17 — RESTORATION AND  
RENOVATION OF OLDER HOMES**

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

**MR. FILMON:** Thank you, Mr. Speaker.

To begin with, in addressing the Motion that has been brought forward by the Member for Fort Rouge, I would like to commend her on the intent of her Motion, which is I am sure to highlight the need for creative and effective solutions for the problems that urban area residents experience. As well, of course, I have to agree with her that the Urban Strategy Document of the Conservative Government in 1977 was a good document and I am sure that we can certainly support that aspect of her Motion.

Mr. Speaker, shortly after we took office in 1977 we initiated planning towards the implementation of the initiatives contained in the Progressive Conservative Party's Urban Strategy Document. I think it might be useful to review some of the area dealt with in that paper, in which significant activity has occurred.

One commitment that was given was to reduce the burden of school taxes on our hard-pressed inner city ratepayers by virtue of the provision of both additional funding and the streamlining of the funding mechanisms to ensure a higher degree of equity. We have in large measure fulfilled that commitment, both through the increases in Property Tax Rebates and the additional \$70 million expenditure on public school financing that the Minister of Education announced earlier this session, with the result that lower income households in the inner city on whom the school tax pressed heaviest will now enjoy a significant degree of relief. As well, Mr. Speaker, although through the White Paper Reforms, Pensioners' School Tax Assistance Program we have corrected the inequity that existed between pensioner homeowners, who were previously entitled to school tax rebates and to pensioner renters, who though they paid school tax through their rent were not covered by such programs. A substantial proportion of recipients of this assistance are, of course, residents of the inner city.

Another major commitment made in the Urban Strategy Document was to attempt to provide shelter related assistance to those in needs, while maximizing their freedom of choice in selection of accommodation. In other words to provide low-income people with an alternative to having to uproot themselves and move into areas and/or projects on the grounds of affordability that they would otherwise have found undesirable. Not all senior citizens enjoy living in congregate high-density buildings and not all low-income families enjoy living in easily identifiable low-rental subsidized housing projects. To that end we developed and introduced in 1980 the SAFER Program for senior citizen renters, which in 1981 has had significantly enhanced benefits as well as being expanded to cover pensioners between 55 and 65 and low-income families.

I would emphasize as well, Mr. Speaker, that we have not solely restricted the applicability of shelter allowance benefits to private-sector housing. Part and parcel of the thrust of the urban strategy was to enable our churches, service clubs and other

community-based organizations to again become active in the provision of nonprofit housing, which in the mid 70s had become a relatively inactive sector. The introduction of our Nonprofit Capital Assistance Program through which matching equity grants of 5 percent of project costs are provided together with the availability of shelter allowances, have combined to help revive this program instrument. In fact, I'm advised that had we not made shelter allowances applicable to Section 56, (1) NHA Nonprofit Projects, CMHC would not have been willing to approve most of the projects built in the last three years.

As I indicated in my Estimates, Mr. Speaker, our waiting list numbers for public housing in the City of Winnipeg have been decreasing steadily. This is admittedly in large part a reflection of a rather soft rental market, however there are also indications that from our Winnipeg regional housing authority that many applicants and tenants have opted to avail themselves of shelter allowance benefits. In any case we will be attempting to assess the impact of shelter allowances on our public housing stock in a program evaluation to be undertaken this summer.

In very great measure, Mr. Speaker, it should be evident that we have successfully honoured many of the commitments made in our urban strategy policy paper. The member in her resolution refers to the priority given in that paper to the promotion and facilitation of homeownership. In that connection I can advise the House that early on in this administration, program instruments were developed in pursuit of that objective which have admittedly achieved limited success; one was the Mobile Home Loan Insurance Program which recognized that mobile homes represented a viable alternative for housing ownership needs of low and moderate income Manitobans. Under that program, insurance is provided to lenders to persuade them to lower the effect of interest rates on mobile home loans from consumer loan rates to something approaching residential mortgage rates. Some 65 units have been insured under that program to date.

We also developed a program instrument to facilitate ownership of conventional homes called simply the Manitoba Home Ownership Assistance Program. Under this program interest-free loans of up to \$5,000 were to be made available toward the purchase of homes on an income qualified basis and most significantly, repayment of these loans was not to take place until the borrower could clearly afford to do so; that is unlike the former federally assisted Homeownership Program under which repayments must commence at an appointed time regardless of the income situation of the borrower. However, approval of the program was in first instance applied only to the sale of lots in MHRCs Meadows West formerly the Inkster Garden subdivision, on the understanding that anticipated profits from the sale of lots would provide the funds for the program's further expansion to other new subdivisions and to older uphill neighborhoods.

This decision was reached at the time in 1978 because MHRC had experienced substantial losses on its various other ventures into the housing development business, particularly in The Pas and in the Nassau Square in Winnipeg in which substantial losses had to be written off; and more recently in West Selkirk where we are still writing off losses

before even being able to put the subdivision on the market. Meadows West appeared to be the only such venture which held a promise of being profitable and it was intended to subsidize the HOAP out of those anticipated benefits.

However, the previous administration had not been able to bring those lots on the market prior to their demise and by the time we were able to do so in the Spring of 1978 the market had changed substantially for the worse and as a result of severe overbuilding that was taking place in the period. This by the way did have a beneficial effect in terms of a virtual freeze on the rate of housing price increases, thereby enabling lower and moderate income households whose incomes were generally increasing ahead of house prices to have greater access to the market.

However insofar as the terms of the approval for the program were concerned, we were not able to make it generally available as it was intended with one important exception; approval was given to make the HOPE Program benefits available for units in the core area, renovated and put up for sale by the City of Winnipeg Rehabilitation Housing Corporation. That commitment was made in 1978 and revived after the city reaffirmed its intention to proceed with that corporation in late 1979.

In that sense, Mr. Speaker, we are honouring the commitment toward the facilitation of homeownership in older neighborhoods and we anticipate that when the city corporation is fully operative a significant draw on program resources will begin. I might add further to that, that this is one of the aspects of the program development that's currently under review for the possible inclusion in the Core Area Initiatives Program and it would serve to fulfill that commitment in a very direct and meaningful way from our urban strategy document.

Mr. Speaker, it's now generally recognized that the reversal of the deterioration process in the inner City of Winnipeg in the coming age of escalating energy and service costs makes economic sense as well as social sense. The planned Winnipeg document which I believe to be consistent with the planning of many of the City of Winnipeg's counsellors, makes these benefits clear. It's certainly our intention through the various mechanisms that may be available to us in the Core Area Initiatives Program to attempt to fulfill the other commitments which were made in our urban strategy proposals, initiatives which I anticipate will be announced in detail in the not too distant future.

Further policy developments under active consideration by both the Minister of Urban Affairs and myself will bring us even closer, I believe, to fulfilling more of our plans and proposals under those urban strategy commitments or urban strategy proposals and the document that our party put forth in 1977 and we hope that we'll be in a position to do so in the near future, in a positive and a meaningful way, to achieve the kind of developments that we foresaw as being necessary for development in the near future in the urban settings in greater Winnipeg.

I think, Mr. Speaker, it should be noted that some of the problems we have had in pursuing a number of these strategies have been the, shall we say, unco-operative attitude of the Federal Government or perhaps the harmful effects of some of their decisions; for instance the withdrawal of the

Community Services Contribution Program had a great deal to do with the elimination of some of the possibilities that we saw in urban redevelopment in this area.

Our city in particular, had taken advantage through the Neighborhood Improvement Programs of restoring and renovating some of the most highly deteriorated areas of our city. In fact, the Point Douglas area has served for many as a model to illustrate what could be done to a very substantially deteriorated area to breathe new life into it. Of course these options have been cut away by virtue of the withdrawal of the CSCP Program and obviously these are things of serious concern to us and they hamper us in our efforts to carry forward a lot of the proposals and strategies that we had. Now, perhaps the member could have some influence in discussing that with her federal counterparts and indicating to them the great benefits that the city had as a result of this CSCP and the disbenefit that we are going to suffer as a result of their withdrawal.

Mr. Speaker, I might indicate of course that having shown a variety of different ways in which we have contributed towards the fulfilment of the promises, or the strategies that were set forth in the 1977 document by our party, we obviously realize that there are many more things that are on our plate and many more areas that we will be addressing in the near future. Of course we are only part way through our term and there are many opportunities that we will have to fulfill the remainder of those strategy areas, Mr. Speaker. But what I can indicate very definitely is that we've made good progress towards those solutions; we've made good progress towards the fulfilment of many of those promises and we are on the way towards the completion of the fulfilment of the promises or the strategy initiatives that were laid out in that document.

So, Mr. Speaker, I move, seconded by the Honourable Minister without Portfolio that the resolution be amended by striking out all the words after the third clause of the preamble and substituting the following:

WHEREAS it is always desirable to stimulate the housing construction industry in Manitoba, THEREFORE BE IT RESOLVED THAT the Government of Manitoba continue the implementation of the programs and policies contained in its urban strategy proposals for the restoration and renovation of older homes in deteriorating neighborhoods.

Time and time again, there is very little indication that this government has taken seriously and attempted to implement the proposals that it put before the people of Manitoba during the course of the 1977 Election. Mr. Speaker, when he talks about the continuing implementation of the programs and policies contained in the government's so-called urban strategy proposal, I presume that is done in a rather jocular and perhaps a slightly facetious manner and I see, Mr. Speaker, that he's sharing a joke with one of his colleagues now and presumably they're having a good laugh over this amendment. Mr. Speaker, there has been no effort, no effort whatsoever, to work within the mandate that was given this government in 1977.

In 1977, Mr. Speaker, they went to the people with an extensive series of proposals, which indeed was

termed the Progressive Conservative Party's Urban Strategy Program. They called it their Uphill Neighbourhood Program. They spoke about providing interest-subsidized loans to first-time home buyers. They talked about all sorts of incentive grants that would be provided through government and to building trades in order to encourage the renovation and conservation of older neighbourhoods in the Winnipeg urban centre. Well, Mr. Speaker, having managed to go door-to-door, and presumably harvested a few votes on the basis of that program proposal, they then, Mr. Speaker, rather callously repudiated and renounced that program proposal and the mandate they'd received to implement it, and turned their back on this for the balance of the term.

Mr. Speaker, one can in all candour suggest that virtually not one, not one of the proposed initiatives contained in the Uphill Neighbourhood Program were actually brought to fruition during the tenure of this government over the past four-odd years. (Interjection)—

**MR. SPEAKER:** Order please. We can only have one speaker at a time.

The Honourable Member for Wellington.

**MR. CORRIN:** Mr. Speaker, we challenge the Minister of Urban Affairs, who was interrupting while I was speaking, or the Minister of Natural Resources to rise in either of their places respectively, and join debate, because, Mr. Speaker, there is absolutely nothing that they can tell us about the Uphill Neighbourhood Program, virtually nothing. It's been going downhill, Mr. Speaker, for three-and-a-half years.

Mr. Speaker, this government has been so hypocritical with respect to urban development strategy as to make a complete mockery of this amendment. This government, Mr. Speaker, simply, when it took office, it curtailed all the program initiatives that the former government had taken. I remind the Minister of Urban Affairs and the Minister of Housing that there was some \$32 million budgeted when they took office in 1977. Those funds, Mr. Speaker, were budgeted for the purpose of urban redevelopment, it was the Winnipeg Inner City Housing Program. (Interjection)— Mr. Speaker, there was no mistake. Mr. Speaker, that money would have been usefully put to work putting Manitobans to work building and reconstructing and renovating housing in the inner City of Winnipeg. Mr. Speaker, that was a worthy purpose. Mr. Speaker, we don't need to talk about core area initiatives. We wouldn't have to even worry about that if this government had simply followed the course of action which had been presented to it by the former New Democrat Government.

But, Mr. Speaker, this government decided to obfuscate, to deviate, and generally, Mr. Speaker, to in any way it could, to connive out of fulfilling its mandate and its responsibility with respect to inner city initiatives. Mr. Speaker, I can tell you that there were other moneys that were budgeted for the purpose of urban redevelopment as well, most notably the Critical Home Repair Program, which has been eviscerated in the past four years, Mr. Speaker. In 1977, if my memory serves me, Mr. Speaker, there was substantially more money allocated in terms of

real dollars, Mr. Speaker — I'm talking about pre-inflation dollars — in real dollars there was far more money allocated for the purposes of critical home repair, which is really employment money, Mr. Speaker. We're talking about money that circulates in the devastated building trades of this city that would have probably put hundreds of tradesmen to work over the past three-and-a-half to four years.

So what do we do, Mr. Speaker? We have a government that rather callously and negligently, Mr. Speaker, has allowed the Critical Home Repair Program to wither on the bough. It has been negligent, Mr. Speaker, with respect to its responsibility by allowing interest rates to float up to some, I believe it's now 17.5 percent or thereabouts. Well, Mr. Speaker, the Minister of Urban Affairs goes, "Ahhh", if Hansard knows how to spell that. Mr. Speaker, I was surprised that the Minister of Urban Affairs could mouth it; it's a better effort than usual.

Mr. Speaker, the Federal Government that the Minister of Housing was taking such exception to a few moments ago didn't allow its interest rates on the Residential Rehabilitation Assistance Program to rise to 17 percent. They've managed to curtail it and managed to keep it within semi-workable guidelines at about 14.25 to 14.50 percent. But, Mr. Speaker, this government in its wisdom didn't seek ways to ameliorate the impact of high interest rates on the building trades and on people in need of help with respect to the redevelopment of their communities and the renovation of their own housing.

Mr. Speaker, I would say that it's most important, no matter which government is in office after the next election, that any government that takes office and holds government office be respectful and mindful of the duty of government to provide all Manitobans, and even Manitobans in perhaps economically depressed circumstances such as is the case in the inner core of Winnipeg, with viable home ownership opportunities. That, Mr. Speaker, is integral and essentially important to any sort of rational support program that's implemented by government in order to afford housing for Manitobans.

Mr. Speaker, I'm not one who believes in the public housing concept in a pervasive sense, and I say that on a purely individual basis. I believe in home ownership. I believe that most Manitobans want to own their own homes. Mr. Speaker, I believe that it is the right of every citizen to have that privilege. I think it is a right and not a privilege, so I shouldn't even refer to it as a privilege.

Mr. Speaker, I say that there is no reason why government can't provide some assistance in order to afford people that opportunity. I believe, Mr. Speaker, that in a properly managed economy, in the best possible world, it would be possible to allow people to exercise that right. I believe, Mr. Speaker, that ultimately it would be far more economically efficient to put people in a position where they could own their own homes. I believe, Mr. Speaker, that people put in a position of being able to own their own homes, having a certain pride of ownership of property, will become a component in any program that the government wants to put into place to retain and conserve neighbourhoods and communities. I believe that is essentially important, Mr. Speaker. I



also believe, Mr. Speaker, that people, when given the opportunity to acquire a sense of self-esteem that comes, Mr. Speaker, I think naturally through home ownership, will on their own resources, play a more meaningful part in society and in the economy.

So, Mr. Speaker, I say that when we review this particular amendment, we can suggest and I think honourably, Mr. Speaker, that it's based on a fallacious presumption. It perpetrates a true falsehood, if one can have license to use that sort of phraseology. Mr. Speaker, there is no substance to this amendment. There has been no effort on the part of this government to restore older neighbourhoods in the inner City of Winnipeg in the past three-and-a-half years. Mr. Speaker, the money that was saved on various inner city redevelopment projects by this government by budget cut and restraint will never be made up. Mr. Speaker, I can only say that as a result of these rather callously neglectful policy decisions taken by this government that all the people of this city have suffered a loss. I would remind you, Mr. Speaker, that the inner city, the so-called core area of the city, is in many respects a mirror by which we can see our own urban environment. Mr. Speaker, it's not good enough for anybody in the 1980s to say, "Well, I don't live in the inner city. I don't live on Stella or Jarvis or any one of the other streets in the inner core area".

Mr. Speaker, the lesson learned in many of the cities to the south and to the east by our American counterparts, will undoubtedly be learned in the context of Winnipeg within the next decade. When that happens, Mr. Speaker, much of the responsibility for that will have to be laid at this government's doorstep, because, Mr. Speaker, they simply wrong-headedly — to use one of the Premier's famous and favourite aphorisms — refused to take initiative to do anything constructive and affirmative with respect to government responsibility in this area.

So, Mr. Speaker, if within the next decade there are gangs of roving youths throwing bottles and rocks at cars of suburbanites coming into the downtown area; if, Mr. Speaker, there are fires and incidents of arson as occurred in Cleveland, in Watts, in Detroit and Buffalo; Mr. Speaker, if that all comes to pass — and Mr. Speaker, I don't wish it, but I suggest that there is good reason to believe that it may in Winnipeg. If that all comes to pass, Mr. Speaker, we have only to thank and only to look to, the Progressive Conservative Government of Sterling Lyon, because, Mr. Speaker, that's what happens when government forgets its commitment to people. That's what happens, Mr. Speaker, when a government doesn't look to its responsibility with respect to job creation, with respect to the preservation of communities, with respect to the construction of new housing, with respect to the stimulation of building trades. That is what happens, Mr. Speaker, when you have a restraint-oriented, rather negligent, rather reactionary government in power.

Mr. Speaker, if power is to be meaningful it has to be exercised in a humane and compassionate and as well businesslike fashion. That, Mr. Speaker, has not been the hallmark of this government. So, Mr. Speaker, we on this side will not be supporting this

amendment, although we can support the resolution and we have already indicated that, Mr. Speaker, in previous debate, but we will certainly be voting against the government amendment.

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

**MS. WESTBURY:** Thank you, Mr. Speaker. The two government speakers on this resolution have obviously had a difficult time in replying to the resolution, which after all was simply calling upon the government to keep its election promises in regard to renovation of older homes in the area. The Minister of Urban Affairs who spoke directed his reply toward the core area initiative, and in fact it was mostly a recital of his concerns with the Federal Government. He really didn't speak to the resolution at all except in the most general of terms, Mr. Speaker. He suggested, but I don't think he really intended it to be assumed that he intended a threat of possible back-peddaling by the Provincial Government on their commitment to the core area initiative. I don't think he intended to say that but that still is part of what I at least took from his speech in addressing the resolution.

He said hang on, there's still time to enact the policy. Mr. Speaker, if the surveys that the government conducted earlier this year had been more favourable to them we'd have been into an election by now, so what time is there to enact? What time in fact have they left for enacting? They didn't bring anything to this session of the Legislature, Mr. Speaker, in connection with their urban strategy; in fact they have done very little to keep this promise to the voters which was made by them in 1977 in their election campaign. The Urban Minister talked about employment; he talked about core initiative; he talked about RAP; he talked about jobs and employment and the NDP housing critic and that was his reply to the resolution. He said and I'm quoting from Hansard, Page 1874, "The Urban Strategy Paper will be implemented through the Core Area Initiative Program to a very great extent I would predict. At this stage I see no reason why the core area initiative as a whole will not be approved by the city, the Federal Government or the Provincial Government." Mr. Speaker, he's got the wrong idea. He's got the wrong idea about the core area initiative or about his own urban strategies because their Urban Strategy Paper, the one to which the resolution is addressed, was not only for downtown Winnipeg; it was not only for the poorer areas of the province; it was not only for low-income people; it was a strategy developed to enable and facilitate provision of home ownership and to allow the owners of older homes to repair and renovate those residences in order to keep them viable as single-family residences. So the resolution was not addressed through relating it to the core area initiative or to the RAP Program, both of which refer to specific neighbourhoods.

Now the Minister who just spoke, the Minister of Consumer Affairs, wasn't really up to his usual standard; he didn't seem to have his heart in it this time and I could certainly see why when he read his amendment. As the Member for Wellington said, the amendment was a joke and the joke was not on me; the joke was not on the official Opposition; it wasn't

even on this government. The joke was on the voters, the people who fell for the Urban Strategy Paper and other policies that were brought forward by his government. He was not a candidate then but in supporting the government he stuck with their promises, Mr. Speaker.

He talked about the Shelter Allowance which had very little to do with their urban strategy. He talked about Point Douglas as an example of what government can and should do. That was long before this paper was a public document. Certainly the Point Douglas renovation was not done in response to the government's urban strategy policies and the Minister knows that as well as I do. He suggested that I should be discussing the housing needs of Manitoba with my federal counterparts. Well, Mr. Speaker, the resolution was calling upon the government to keep their election promises. They didn't say if June Westbury will talk to her federal counterparts we will keep our election promises. They said if you vote for our party we will do these things.

Now, the amendments, it's a joke but it's ridiculous really. It says, WHEREAS it always desirable to stimulate the housing construction industry in Manitoba, was that put in so everyone would vote for it? What an abomination. And the resolution was changed to read, "The Government of Manitoba continue the implementation of the programs and policies contained in its urban strategy proposals for the restoration and renovation of older homes in deteriorating neighbourhoods".

Mr. Speaker, the Urban Strategy Paper prefaced programs and policies for addressing the problems that the City of Winnipeg prepared by the Manitoba Progressive Conservative Party and released six days before the 1977 election says: "The priorities of the Progressive Conservative Urban Strategy are as follows": and I challenge the government to show where they have lived up to these priorities.

(1) To reverse the deterioration of older neighbourhoods. That has not been done, Mr. Speaker.

(2) To provide a variety of housing options with a strong emphasis on the promotion and facilitation of home ownership. That has not been done, Mr. Speaker.

(3) To provide a specific and socially sound series of responses to the housing problems of senior citizens. This has been done in only a small part, Mr. Speaker. The Shelter Allowances which we will welcome, the increase in that was only a part of the problems. It did not address the escalation of rents, the escalation of rents brought on by this government in removing rent controls, Mr. Speaker, and not replacing it with anything else which would protect the consumer. It has not addressed the issue of provision of low-cost, non-subsidized housing for people who prefer to live in that kind of housing and which has been eliminated in part by the lack of implementation of the Urban Strategy Program. You look through the downtown core of Winnipeg where you used to be able to find inexpensive apartments, older attractive exciting apartments at low cost, they're not there any more, Mr. Speaker, most of them have been torn down.

To continue, reading from the Conservatives' own paper, "Priority No. 4, To assure that local

governments have sufficient resources and authority to meet their responsibilities and to provide normal and acceptable services and to maintain those services". You can ask any councillor of the City of Winnipeg and they'll tell you that has not been done, Mr. Speaker.

"Priority No. 5, To provide special financial support to local government in dealing with high priority problems". A joke, Mr. Speaker, that has not been done.

"Priority No. 6, To assure sufficient local control and flexibility to permit local government to be responsive and efficient". That has not been done, Mr. Speaker, and those were all of the priorities contained in the Urban Strategy. How can they then have the effrontery to bring us a recommendation, an amendment, calling for continuation of the implementation of the programs and policies, Mr. Speaker? That is pure — am I allowed to say "deceit?" That is pure deceit. (Interjection)— It is misleading; it is deceit, Mr. Speaker, to suggest that this has even been started. There are six priorities and one fraction of one of those priorities has been implemented by the government.

Mr. Speaker, the resolution was calling on the government to keep its election promise for housing and the failure was to keep that promise and that's it, that was the resolution and the amendment has not addressed that failure. It has tried to respond by pretending that they have even started to keep the urban strategy promises. Therefore, Mr. Speaker, I will vote against the amendment because it is a deceit and I would urge the members of the House to face this question squarely and to ask all members if they will not in fact join me in calling on the government to keep their promise, otherwise, known as an urban strategy.

**QUESTION put on the amendment, MOTION carried.**

**MS. WESTBURY:** Mr. Speaker, Yeas and Nays, please.

**MR. SPEAKER:** Has the honourable member support? Call in the members.

Order please, the question before the House is the amendment proposed by the Honourable Minister of Consumer and Corporate Affairs.

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

#### **YEAS**

Messrs. Banman, Blake, Brown, Cosens, Downey, Driedger, Einarson, Enns, Ferguson, Filmon, Galbraith, Gourlay, Hyde, Johnston, Jorgenson, Kovnats, McGill, McKenzie, Mercier, Minaker, Mrs. Price, Messrs. Ransom, Sherman, Steen.

#### **NAYS**

Messrs. Adam, Corrin, Cowan, Doern, Fox, Green, Jenkins, Malinowski, Miller, Parasiuk, Pawley, Schroeder, Uruski, Walding, Ms. Westbury.

**MR. CLERK, Jack Reeves:** Yeas 24, Nays 15.

**MR. SPEAKER:** I declare the motion carried. Now dealing with the resolution as amended. Are you ready for the question?

The Honourable Member for Fort Rouge would be closing debate.

**MS. WESTBURY:** Yes, Mr. Speaker.

**MR. SPEAKER:** The honourable member will be closing debate.

*The Honourable Member for Fort Rouge.*

**MS. WESTBURY:** Mr. Speaker, in speaking to the resolution as amended, I want to refer to some of the remarks made by the Honourable Minister of Urban Affairs in addressing the resolution on the 18th of March. He said at that time — this is a quote from Hansard, Page 1872, Mr. Chairman, he said, "We've have not yet been able to do all of the things that we promised to do in the housing area, in the inner core of the city. And while I say that, Mr. Speaker, I say at the same time that before I'm through I think I'll be able to indicate virtually every program that was outlined in the paper referred to by the Member for Fort Rouge — that's the urban — will be implemented before the next election.

**MR. SPEAKER:** Order, order please. The hour is 5:30. The honourable member will have 19 minutes when this subject next comes up.

I should indicate to the House that the next resolution on the Order Paper is Resolution No. 18 standing in my name. I would indicate to you now that the amendment as proposed by the Honourable Member for Minnedosa is in order.

### **BUSINESS OF THE HOUSE**

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

**MR. JAMES R. FERGUSON:** Yes, thank you, Mr. Speaker. I have a change in Economic Development, Mr. McGill for Mr. Filmon.

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

**MR. MERCIER:** Mr. Speaker, I move, seconded by the Minister of Natural Resources that this House do now adjourn and resume in Committee of Supply at 8:00 p.m.

**MOTION presented and carried** and the House accordingly adjourned and stands adjourned until 2:00 o'clock tomorrow (Tuesday).