



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

**DEBATES
and
PROCEEDINGS
(HANSARD)**

39 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, November 27, 1990

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Mrs. Louise Dacquay (Chairman of Committees): Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Honourable Member for St. Vital (Mrs. Render), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I have the honour and the pleasure to present the report of the Minister of Justice to the Manitoba Legislative Assembly regarding the validation of Manitoba's laws.

INTRODUCTION OF BILLS

BILL 25—THE OMBUDSMAN AMENDMENT ACT

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. McCrae) that leave be given to introduce Bill 25, The Ombudsman Amendment Act; Loi modifiant la Loi sur l'Ombudsman, and that the same be now received and read a first time.

Motion agreed to.

Mr. Ducharme: His Honour the Lieutenant-Governor having been advised of the contents of the Bill has recommended the same. Also, Mr. Speaker, I table the Lieutenant-Governor's message.

BILL 24—THE ENVIRONMENT AMENDMENT ACT

Hon. Gary Filmon (Premier): Mr. Speaker, on behalf of the Honourable Minister of Environment

(Mr. Cummings), I move, seconded by the Honourable Minister of Finance (Mr. Manness), that leave be given to introduce Bill 24, The Environment Amendment Act; Loi modifiant la Loi sur l'environnement, and that the same be received and read a first time.

Motion agreed to.

BILL 23—THE EMPLOYMENT STANDARDS AMENDMENT ACT (2)

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, I would move, seconded by the Honourable Minister of Natural Resources (Mr. Enns), that leave be given to introduce Bill 23, The Employment Standards Amendment Act (2); Loi no 2 modifiant la Loi sur les normes d'emploi, and that the same be now read and received for the first time.

Motion agreed to.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct the attention of Honourable Members to the loge to my left where we have with us this afternoon Mr. Larry Desjardins, the former Member for St. Boniface.

On behalf of all Honourable Members, I welcome you here this afternoon.

Also with us this afternoon in the public gallery we have from the Oholei Torah Day School ten Grades 4 to 7 students. They are under the direction of Marie Daniel. This school is located in the constituency of the Honourable Member for Kildonan (Mr. Chomiak).

On behalf of all Honourable Members, I welcome you here this afternoon.

* (1335)

ORAL QUESTION PERIOD

Health Care System Government Position

Mr. Gary Doer (Leader of the Opposition): For the last couple of days we have been hearing about a Finance Ministers' meeting with an agenda that has

a formal and public agenda and an agenda that includes informally and behind closed doors the proposition of who delivers our health care system in this country, an agenda item, Mr. Speaker, that arises from the shortsighted vision agreed to by the Premier of this province in the so-called new realities of Lloydminster, a vision of this province that is out of touch with 40 years of Premiers from different political stripes in terms of the vision of a national health care program and a national post-secondary education system.

Given the fact that our Minister of Finance (Mr. Manness) has talked about a possible takeover of medicare by the provinces, then he said he has no preferences, then he said that he may be a broker at the meeting with the Ministers of Finance, my question to the Premier is: Will he overrule his Minister of Finance and clearly state in unequivocal terms today that Manitoba will not go to the Finance Ministers' meeting interested in a posturing to take over the medicare system, that we believe that health care should be delivered by our federal Government and delivered by the provinces in strong federal and provincial programs in this country?

Hon. Gary Fillmon (Premier): Mr. Speaker, we believe that medicare ought to be financed by the federal Government. It is their responsibility. Obviously the delivery of medicare has been in the hands of the provinces for some time, and we believe that is the way it ought to be.

What the Member opposite I believe knows well is that we have suffered over the course of the last number of years, in fact most of this decade, successive cuts to EPF transfers from successive federal Governments. We have suffered, as I reported in the throne speech debate, some \$197 million of reductions in EPF transfers from 1981 until the present, formerly by the Trudeau administration, now by the Mulroney administration, successive cuts that are impairing our ability to have the kind of high quality health care system that we must have in this province.

We are going to do everything possible to ensure that the federal Government lives up to its responsibilities, and that will be the prime authority and the prime purpose of this provincial Government, to ensure that the federal Government lives up to its responsibilities in funding high quality health care which we will deliver in Manitoba.

Mr. Doer: Mr. Speaker, I wish the Premier would disentangle the proposed disentanglement of the Minister of Finance (Mr. Manness) on the issue of health care.

I would like to table a chart that clearly indicates that Manitoba is a net benefactor of federal-provincial finances. It is a chart that is prepared out of Alberta, and it clearly demonstrates that Manitoba is not the same as British Columbia, is not the same as Alberta. Besides the philosophical and visionary issues raised by his Minister of Finance, it is not in our economic and logical interest to have a provincial takeover as suggested by his Minister of Finance.

I would ask the Premier to table, and rather than having this Minister of Finance acting as a broker or saying he has no preference, will the Premier say that Manitoba does have a preference, and that is that we will not have the provinces take over the health care system? Will he table for the public the position his Minister of Finance and his Government will take to the Finance Ministers' meeting next week?

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

* (1340)

Mr. Fillmon: Mr. Speaker, you know it is funny how the Leader of the Opposition uses the same information selectively and in a contradictory fashion. We informed him of the legal opinion that our Crown lawyers had given us with respect to the case against the GST that he was promoting which said that we should not join in with Alberta, British Columbia and Ontario because it would have jeopardized our continued ability to get transfer payments from Ottawa because of that very fact that we are indeed benefactors of equalization payments. We did not want to jeopardize our ability to continue to get transfer payments from Ottawa.

There he was grandstanding in front of the cameras day after day saying that we ought to challenge, join in with Ontario, join in with Alberta, join in with British Columbia and put in jeopardy those transfer payments. That is what he was doing because it was in, he thought, his political interest to do that, Mr. Speaker. There is no place for that kind of two-faced approach here in this province.

Mr. Doer: Mr. Speaker, the Premier well knows the question was dealing with the swamping of the Senate. The Premier goes to Lloydminster and

takes one position. The Premier comes back in this Chamber and takes a different position. The Premier goes to Meech Lake and takes one position. The Premier comes back with the Minister of Finance and takes another position. What we want to know is—

Point of Order

Hon. Clayton Manness (Government House Leader): The Member opposite has lost control, and if he wants to go into some tirade, there is a better place to do it than in this Chamber, Mr. Speaker. He is to put his supplementary question at this point in time.

Mr. Speaker: I would like to thank the Honourable Government House Leader. Order, please; order, please. This is not a time for debate.

The Honourable Leader of the Opposition kindly put his question, please.

* * *

Mr. Doer: My question to the Premier is: Will he make public the position his Government will take to the Finance Ministers' meeting next week? Will he stop this closed-door proposition that we saw coming out of Lloydminster? Will he make public to the people of Manitoba and this Legislature the position his Minister of Finance refused to table in the Chamber last week? Let us stand up and be counted. Let us see what he is going to state publicly, and let us table it in this Chamber today.

Mr. Filmon: Mr. Speaker, both the Lloydminster document and the report of the Finance Ministers has been made public. Both of those matters are the fodder for his questions that were made early on in this Session day after day as well as those of the Leader of the Liberal Party. They were the fodder for columns by various columnists, for editorials by various newspapers and by various comments from this.

Our position is that we will do everything possible to protect the interests of the Manitoba taxpayer and the Manitobans who require medicare and post-secondary education in the system. We will fight the federal Government, regardless of what political stripe they are, in their continuing efforts to try and offload and cut back on transfers on health care and EPF.

Transportation Industry Open Sky Policy

Mr. Daryl Reid (Transcona): Mr. Speaker, this morning we learned that in addition to the 3,000 Air Canada jobs lost the day this Session began, Air Canada is now cutting over 300 reservation jobs at Halifax, Calgary, Edmonton and St. John's, Newfoundland. The Air Canada building on Portage Avenue which employs over 200 people in the air reservations along with the 3,400 other Manitobans working in the airline industry in this province are anxiously awaiting the outcome of the open sky hearings.

My question is for the Premier. A week ago we asked his transport Minister what position he would be taking to the House of Commons committee on the open sky policy, and we were told that he had none but thought that he could just show up. Has this Government reached a decision, and do they now have a policy that he will tell this House? What is their policy?

Hon. Gary Filmon (Premier): Mr. Speaker, I would not want the Member for Transcona to leave a misapprehension or misleading information on the record. The reality is that those job losses as a result of the consolidation of reservations in various locations across the country will not, will not, have a negative impact on Winnipeg as a reservations centre. There will not be job reductions in Winnipeg.

In fact, as I understand it, and I did speak with the most senior official of Air Canada in the Winnipeg region just an hour or so ago, my understanding of it is that there will be a transference of the reservation operations from Regina, Saskatoon and Thunder Bay to Winnipeg. There will not be job losses.

So please, please, I would ask the Member for Transcona not to put false information on the record.

* (1345)

Mr. Reid: Mr. Speaker, we would be interested to see any documentation the Premier may wish to table in this House that would support his claim that no jobs will be lost.

My next question is for the Premier. Since Geoff Bridges, the Vice-President of Cargo for Air Canada, said last week that there will not be a domestic overnight market in Canada in 15 years as the integrated operators will feed all the major Canadian stations through their major U.S. cities,

why has this Government not taken a public stand opposing this plan?

Mr. Fillmon: Mr. Speaker, this Government was informed of the open sky proposal I believe the second week of October, and then we are informed that we had to make a presentation within a matter of weeks before the committee that was to come before the country.

Our Minister will be going to that committee to say that we do not believe that we have been given sufficient time to review all of the various potential effects of the open sky policy and that we will take the time required to do the analysis, to consult with industry people. We have begun some consultations with people from the industry to be affected. We will have a position that reflects a very objective and a very thorough analysis that we will arrive at before we make that position. It will not just be a knee-jerk reaction; it will be a very well-considered response.

Impact Deregulation

Mr. Daryl Reid (Transcona): Mr. Speaker, it appears that we are doing more studying on this issue. My question is for the Premier.

How many more jobs will be lost in this province to deregulation before this Premier and his Cabinet recognize that the only beneficiaries are the three major Canadian centres, Toronto, Montreal and Vancouver, while everywhere else will see job losses, fare increases and deteriorating safety conditions?

Hon. Gary Fillmon (Premier): Mr. Speaker, it is only New Democrats who make conclusions without any studying and without information. It is only New Democrats who do that. We will not do that. We will do a complete review and analysis so that we know the ramifications both pro and con before we take our position on that issue.

Health Care System Government Position

Mrs. Sharon Carstairs (Leader of the Second Opposition): I am pleased to hear the Minister say that he is going to study. He has some papers to study. He has a Lloydminster communique and he has a paper that was tabled at Lloydminster. It is therefore appropriate for the Premier to tell this House today exactly what conclusions they have come to with respect to the recommendations in that

paper, and what position they are going to take at next week's Finance Ministers' meeting.

Hon. Gary Fillmon (Premier): Mr. Speaker, what the Lloydminster meeting did was to distribute a discussion paper to all of the First Ministers in the country for their review and response, and that is what has been done, and that will lead to the various discussions that will take place by the Finance Ministers when they meet here.

Our bottom line is we are going to do everything possible to protect, preserve and enhance the medicare system in this country. We cannot do it if there are continuing cuts to the funding for that system by federal Governments regardless of their political stripe. That is where the battle has to be fought, and that is where the battle has to be won, Mr. Speaker.

Established Programs Financing Government Position

Mrs. Sharon Carstairs (Leader of the Second Opposition): That position is not consistent with the position taken yesterday by the Minister of Finance (Mr. Manness) who in essence said, we have given up defending EPF funding, and we are going to move entirely into the area of equalization.

Will the First Minister today tell this House which position they are going to take? Are they going to take the position of the Minister of Finance which says forget EPF, we are moving only on equalization, or the position of the Premier which seems to be saying just the opposite?

* (1350)

Hon. Gary Fillmon (Premier): Mr. Speaker, throughout the 1980s there have been continuing cuts and erosion to the funding in EPF transfers in Canada. It began with the elimination of the revenue guarantee in 1982 by the Trudeau administration. That move alone has resulted in \$507 million less of funding coming to the Province of Manitoba from EPF funding during that period, 1981 through 1991.

Next, in 1983 they put on the so-called six and five capping on EPF transfers. That measure resulted in \$109 million in reductions between that period of time, from '83 until 1991-92, Mr. Speaker.

Then in 1986 under a new administration in Ottawa a 2 percent growth reduction resulted in \$343 million in reduction in EPF transfers to the Province of Manitoba. Then of course the 1990

budget resulted in the per capita freeze, another \$100 million in losses in EPF.

That is where the battle has to be fought. It is the federal Government that is reneging on its responsibilities to health care and post-secondary education in this country. That is what we will be fighting against, Mr. Speaker.

Mrs. Carstairs: It is quite clear that while this political Party of which the Premier is the head played ostrich from '82 until '86, they have now woken up, but in their process of being sleeping beauties and waking up, they seem to have two different positions.

Why is the First Minister of the Province of Manitoba not able to reconcile his position with the position taken yesterday by the Minister of Finance (Mr. Manness), and what is our negotiating position going to be?

Mr. Filmon: Mr. Speaker, I wish that the Member for River Heights would not put incorrect information on the record, because I will quote what the Minister of Finance said yesterday in Question Period: "For the Member to say, continue to fight the hard battle in EPF, naturally we will continue to do that." He did not say—he said the opposite. He said we will continue to fight the cuts in EPF.

Mr. Speaker, that is precisely what has to be done, is that we in Manitoba have to fight to ensure that Ottawa lives up to its responsibilities with respect to transfer payments on health and post-secondary education.

Health Care System Government Position

Ms. Judy Wasylycia-Lels (St. Johns): I would like to pursue this matter because I do not think it is any clearer now than yesterday or even a few moments ago.

Mr. Speaker, we still do not know the position of this Government vis-a-vis the crunch that we are facing as a province, as indeed all provinces are facing, with respect to declining and reduced direct payments for health and post-secondary education through Established Programs Financing.

We want to know from the Premier today, what is the Government's strategy? Is it charting a new course? Is it planning a new way of financing health care? Is it speaking up for Manitobans who want high standards, who want quality health care? Is it speaking up as Ontario is doing and asking for the

maintenance of national standards to ensure that we are able to deal with the health care issues of the 1990s and into the—

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

Hon. Gary Filmon (Premier): Absolutely, Mr. Speaker. We want to have the standards maintained and enhanced in our health care system on a national basis, but the Member does not recognize obviously that it will be very, very difficult to maintain those standards if there is a continuing erosion in funding. It is all predicated upon having sufficient funding to pay for it.

Dr. Fraser Mustard was in town in the past couple of days, a well-known physician who knows a great deal about standards. He said our real problem is that we have not been creating the wealth to run our system. It takes wealth, it takes funding in order to have the high quality system. That is where the battle must be fought, and that is where we will be ensuring that Ottawa lives up to its responsibilities. We will be doing everything we can to ensure that Ottawa lives up to its responsibilities, Mr. Speaker.

Ms. Wasylycia-Lels: Why then is this Government getting suckered into the federal strategy which is planning to get right out of direct payments for health care sometime around the turn of the century? It is not the year 2000 yet, Mr. Speaker.

Will this Government stand up and fight to maintain decent adequate transfers through EPF rather than talk about pulling out of national health care and dismantling medicare?

Mr. Speaker: The Honourable the First Minister. -(interjection)- Order, please. Order. The Honourable the First Minister has the floor.

Mr. Filmon: Mr. Speaker, eight times to eight separate questions, I have responded in the affirmative to that question, and I repeat the same response—yes.

* (1355)

Strategy Paper

Ms. Judy Wasylycia-Lels (St. Johns): Then will the Premier direct his Minister of Finance (Mr. Manness) to go into the meeting next week of provincial-territorial Ministers of Finance with a strategy paper suggesting ways to ensure adequate transfer payments to health and post-secondary education rather than initiating or participating in a

discussion about pulling out of our national health care system?

Hon. Gary Filmon (Premier): Mr. Speaker, that has always been the bottom line for this Government, to ensure that the federal Government lives up to its responsibilities for transfer payments for the support of health and post-secondary education and it will not vary.

Farming Industry Safety Net Program

Mr. John Plohman (Dauphin): During the Estimates, the discussion with the Department of Agriculture, the Minister has discussed many aspects of the new safety net program that is currently being discussed with the provinces and the federal Government. I am pleased to see that the Minister has finally gotten off the GATT agenda, and his colleagues as well, and understood, Mr. Speaker, that the successful resolution of the GATT negotiations will not result in any major benefits for prairie farmers in the foreseeable future.

Will the Minister ensure that any proposals that he endorses with the other Ministers for a safety net program be based on a realistic cost of production so that farmers will indeed be able to survive the crisis that they are facing in agriculture at this time?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, the Member is asking a question that we spent probably three-quarters of an hour talking about yesterday, and the Member never ever explained to me what he meant by cost of production. It is just a statement that hangs out in the air, and I will tell the Member that there is a very clear recognition of the market price that producers are getting for grains that they sell, plus indexed for inflation. That is called the IMAP price, and it is indexed for costs that the producer encounters on the variable cost basis.

Agricultural Assistance Federal Responsibility

Mr. John Plohman (Dauphin): The Minister has stated, I take from that answer, Mr. Speaker, that it is a realistic cost of production. We will await the results of the discussions.

In view of the fact that the Minister has stated that the province cannot afford the one-third costs that the federal Government wants to hoist onto the backs of provincial taxpayers, does the Minister

agree with our position that 50 percent of the cost of any safety net program, of any stabilization program, insurance program that is being negotiated, be borne by the federal level of Government? What action is the Minister prepared to take with his colleagues, with farm organizations and with the public and people of Manitoba to ensure that the federal Government lives up to its historic obligations in this area?

Hon. Glen Findlay (Minister of Agriculture): There is no question that the federal Government traditionally ever since Confederation has paid the lion's share if not all of the support to the grains and oilseeds sector in all of Canada. Certainly we are arguing that they should maintain the majority of that responsibility. They are saying no, that they want the provinces to share in a greater and greater portion of it. It is unfortunate that many provinces have chosen also to take the same position, that they should take on some responsibility. We are not only fighting the federal Government, we are fighting other provinces who are quite willing to take on that responsibility, so it weakens our case.

I would like to see a united position from all provinces that the federal Government should take a very strong level of responsibility here, but we do not have that voice unanimously across the country right now.

Mr. Plohman: The Minister is not taking a very aggressive position. He is taking a closed door position with the other Ministers, not an aggressive position, and he admits he got snookered last year in the crop insurance discussions for \$15 million additional dollars for the province because some provinces capitulated early.

I ask the Minister, what action he is prepared to take at this time to enlist the support of Manitobans and Members of this House through task forces, through public forums to ensure that the public of Manitoba is fully behind the position that the federal Government must put up the lion's portion of any deficiency payment that is so desperately needed this next spring and that an announcement must be made immediately for that?

Mr. Findlay: If the Member had been paying any attention, he would have clearly seen that Manitoba and Saskatchewan are making a very strong case, that we do not have the fiscal capacity that Ontario and Alberta, as two examples, do have. We have been making that case continually, and the federal

Government is recognizing it. We believe in the final analysis it will be given some very serious consideration in that regard.

* (1400)

Manitoba Learning Centre Funding

Hon. Leonard Derkach (Minister of Education and Training): I took a question as notice from the Leader of the Liberal Party (Mrs. Carstairs) with regard to learning centres when she asked whether or not we would consider funding the learning centres in a similar way that the Laureate Academy is funded.

Mr. Speaker, I would like to indicate to the House now that a learning centre is not an instructional institution, rather it is an assessment centre where families can bring their children and adults to get tested for their disabilities. It is a centre where we identify and perhaps prescribe remediation programs for those who have disabilities.

The Department of Education and Training does fund Children's Home, and the learning centre is a part of Children's Home, but indeed we have never funded it as a stand-alone unit, and it would not be appropriate to fund it in the same way. It would be impossible to fund it in the same way that the Laureate Academy is funded.

Health Advisory Network Reports Completed

Mr. Gulzar Cheema (The Maples): Mr. Speaker, my question is for the Minister of Health.

Almost two years ago the Health Advisory Network was established to advise this Minister at a cost of \$500,000 per year. It has been for the last two years.

Can the Minister tell us how many final reports have been produced by this network during this time?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, yes, two years ago this Government and I established the Health Advisory Network. Yes, we established an annual maximum budget of \$500,000 per year. I do not want my honourable friend's impression to be left that that budget has been entirely spent every year. As a matter of fact, less than \$1,000 was spent in the first year, and I am not certain what will be the extent of their expenditures this year.

The one report that has come into Government is the extended treatment bed review with the subsequent announcements which I believed were very, very well received by all. We did not take the bait that my honourable friend's Party did by suggesting that we adopt the interim report which would have left Concordia Hospital completely out of necessary construction. We waited for the final report, made decisions that we believe were accepted throughout the length and breadth of the extended treatment bed hospitals in the City of Winnipeg.

Cardiac Care Report

Mr. Gulzar Cheema (The Maples): The Minister has said there was only one report and that report was released only seven days before the election campaign. Mr. Speaker, that hospital was empty for the last 18 months.

Can the Minister of Health tell us when the report on cardiac by-pass surgery will be released finally which he promised in 1988 because of the waiting period which was increased during their term?

Hon. Donald Orchard (Minister of Health): I do not want my honourable friend to confuse honourable members of the media that might actually buy some of his arguments as factual. Mr. Speaker, I note a slight frown on your face. Thank you, Mr. Speaker.

My honourable friend was incorrect in his allegations about new beds being vacant for 18 months. That is a similar incorrect statement made by the Leader of the Opposition (Mr. Doer) regarding Deer Lodge Hospital, all of which were included, commissioned and will be opened very shortly in terms of provision of extended treatment bed capacity in the city.

Mr. Speaker, on the second topic that my honourable friend asked, I am expecting that we will have a suggested course of action between the two teaching hospitals in terms of establishment of a Manitoba cardiac care program in the very near future.

Teaching Hospital Review

Mr. Gulzar Cheema (The Maples): Mr. Speaker, last year Mr. Orchard promised that he will be releasing the report on that teaching hospital review committee to make sure that we can reorganize the system. In view of the escalating costs, can he tell us finally when that report will be released?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, no, I am unable to indicate when that report can be released. Let me tell my honourable friend why, and I very much look forward to his active participation in the Health Estimates later on this week because these topics are very, very important to the future of our ability to deliver health care—

An Honourable Member: Why do you not save this answer till then?

Mr. Orchard: Mr. Speaker, I would save the answer till then if the question was not posed today.

I simply want to indicate that the reason for the teaching hospital review as a specific undertaking of the Health Advisory Network was because of the receipt, I believe in 1985, by the previous administration of a report which indicated that our costs were significantly above the national average. We need to have that investigated, Mr. Speaker—

Mr. Speaker: Order, please.

Children's Rights United Nations Convention

Ms. Becky Barrett (Wellington): Mr. Speaker, my question is to the Minister of Family Services.

In September the Canadian Government signed the United Nations Convention on the Rights of the Child. When it becomes enacted, this convention will set universally agreed standards for the protection of children and will provide a framework for program development to improve the situation and rights of children in Manitoba, Canada and throughout the world.

Each province must also ratify this convention. Will the Minister ensure that his Government recognize and sign this document, the text of which I will table now, guaranteeing Manitoba's commitment to the principles outlined in this convention?

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, a great deal of information has come forward on that convention. We have had correspondence from people right across Canada indicating either concern about the convention or support for it.

This department of course is very concerned with the rights of children and the protection of children. We will be looking very closely at that information.

Ms. Barrett: Mr. Speaker, to the same Minister, is his Government delaying bringing forward the

convention for ratification because it is having difficulty reconciling the positions taken in that document with their own dismal record on child poverty, child abuse and children's rights in Manitoba?

Mr. Gillehammer: I can tell you, Mr. Speaker, that this Government is very proud of its record and the manner in which we funded Child and Family Services agencies. We came to Government having to deal with many problems that the previous Government had left unattended.

I would cite the massive underfunding—and we have talked about this in Estimates the last few days—the underfunding that took place as far as the Child and Family Services agencies are concerned, a problem that is recognized by the Honourable Member in Estimates.

Child and Family Services Staffing

Ms. Becky Barrett (Wellington): Mr. Speaker, I appreciate the Minister telling this House how children and their rights can be protected when his Government has refused to provide adequate funding for services and programs designed to assist children, only one example of which is the Child and Family Services child protection worker not being allowed to be hired in the core of this city.

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, I am not sure there was a question there, but we did discuss this last evening in Estimates. We discussed this in Estimates last night, that agencies who have exceeded their funding are not in a position to be hiring additional workers. In this case, with that particular agency, they are able to find resources from within.

Core Area Initiative Program Evaluations

Mr. Doug Martindale (Burrows): To the Minister of Urban Affairs today, I have straightforward, positive and even complimentary questions.

The Core Area Initiative has funded many good programs over the last four and a half years. One of those is the Core Area Residential Upgrading and Maintenance Program, which combines in a unique way social workers, housing inspectors and teacher aides.

Now that the funding is running out and the program is being closed, has the Minister or the

Core Area Initiative Policy Committee done an evaluation of the Core Area Residential Upgrading and Maintenance Program? Does he agree that this is an excellent Core Area funded program?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, our staff, along with all the other staff at Core, et cetera, and different departments, are re-evaluating the Core Area Agreement as it is winding down to the end of March. When we receive that information, then we will pass it along and share it with the Member.

* (1410)

Replacement Funding

Mr. Doug Martindale (Burrows): My supplementary is: Has the Minister discussed continuing funding of CARUMP or a similar program with Mayor Norrie and the Honourable Jake Epp?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, I do not know where the Member for Burrows has been, but we just negotiated a \$2.8 million program in the residential core area, just approved by the three levels of Government, and our department will be carrying out that program. That program will be finished before the Core Area Agreement runs out, before the committed monies are finished for the end of September of '91.

Mr. Martindale: My final supplementary is: I appreciate there are many different programs under Core Area. I would like to know if the province is going to continue a program like CARUMP or a similar program? If the Core Area Initiative will not fund it, would the province fund it jointly with the city or, barring that, fund it themselves?

Mr. Ducharme: Mr. Speaker, I believe, and I explained in my first remark, that we are evaluating all the Core Area. There were parts of the Core that probably were better than others, and they will be discussed with the partners when we are reviewing the results of the second Core Agreement.

Elder Abuse Report Release

Mr. Nell Gaudry (St. Boniface): Mr. Speaker, when the First Minister sat on the Opposition side of this House, he introduced a resolution calling for immediate action on elder abuse. In Government, we have seen none of this commitment. The Government's action amounted to condensing a

1982 report and sending it to a Toronto consultant for 16,000 worth of political polish.

Mr. Speaker, my question is to the Minister responsible for Seniors. Given that the public consultations on the White Paper on Elder Abuse were completed in January, when can the seniors of Manitoba expect to see the final report and some action by this Government?

Hon. James Downey (Minister responsible for Seniors): Mr. Speaker, I am extremely disappointed in the tenor in which that question was asked, from a Member whom I thought was serious about helping the seniors of this province and wanting to work co-operatively. That attitude I am sure does not do the seniors in the province very much for the kind of attitude which he brings to this Assembly.

Mr. Speaker, there has been a serious series of meetings take place over the past few months with over 1,000 people making presentations to the Government. There were actions taken following those hearings, actions taken, information which was extremely important to be disseminated to the people. As far as the report is concerned, when there is a report ready, it will be available to the public.

Legislation

Mr. Nell Gaudry (St. Boniface): I know we cannot debate, Mr. Speaker, on a question but I would love to.

Abused seniors in Manitoba have suffered from three years of inaction by Government. When will this Government introduce legislation to help combat elder abuse and protect vulnerable Manitoba seniors?

Hon. James Downey (Minister responsible for Seniors): Mr. Speaker, I am surprised again that the Member for St. Boniface did not raise any of these questions during the period of which Estimates were before this Assembly. I cannot understand why all at once this became an issue, and he could have gone into it in depth if he had wanted to take the time to do it at that time.

Mr. Speaker, let me assure you that we are working on the whole question of elder abuse. There will be some positive directions taken and actions taken. As far as legislation is concerned, it is a very delicate situation we are dealing with, and when the proper legislation is developed, the proper work is done, he and this Assembly will see it.

Safe House

Mr. Neil Gaudry (St. Boniface): All lip service, Mr. Speaker. Will this Government commit itself today to opening a safe house or apartment for abused seniors because often they are dependent upon the very people that are abusing them?

Hon. James Downey (Minister responsible for Seniors): Mr. Speaker, our Government is clear and our actions positive when it comes to supporting those people who are less fortunate and vulnerable in our society in many areas. My colleague who is responsible for the Women's Directorate, all my colleagues and the Premier (Mr. Filmon) of this province are extremely concerned, and we will take all the actions necessary to protect those individuals of the seniors' community.

Mr. Speaker: The Honourable Member for Brandon East has time for one very short question.

Bill 20 Amendment Justification

Mr. Leonard Evans (Brandon East): Mr. Speaker, I have a question for the Minister of Finance. Bill 20, The Statute Law Amendment (Taxation) Act is in the second reading stage in this Legislature and includes Sections 13(8) to 18 which removes tax payment refusal provisions. Vendors must now collect all taxes and will no longer be able to advise the department that a purchaser refuses to pay the tax. Why is the Minister now making this change? Is he trying to help Michael Wilson collect the GST by ensuring that retailers or vendors take full responsibility and collect all taxes?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, the provincial sales tax is the responsibility of the province. The GST is the responsibility of the federal Government. The action that we have taken as far as denying exemptions at the source of purchase has absolutely nothing to do with the goods and services tax—absolutely nothing. That is a collection determination by the federal Government. They will impose their own standards. With respect to the provincial sales tax, I welcome the debate on The Statute Law Amendment (Taxation), Bill 20, and a fuller explanation and debate at that time.

Mr. Speaker: Time for Oral Questions has expired.

Committee Changes

Mr. Edward Helwer (Gimli): Mr. Speaker, I would like to make some changes to the committee. I move, seconded by the Member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Law Amendments be amended as follows: Connery for McCrae; Rose for Praznik; and Helwer for Mitchelson.

Mr. Speaker: Agreed? Agreed.

Mr. George Hickes (Point Douglas): I move, seconded by the Member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Law Amendments be amended as follows: Elmwood (Mr. Maloway) for Radisson (Ms. Cerilli).

I move, seconded by the Member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Municipal Affairs be amended as follows: Wolseley (Ms. Friesen) for Swan River (Ms. Wowchuk).

Mr. Speaker: I would like to thank the Honourable Member.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I too have a committee change. I move, seconded by the Member for Crescentwood (Mr. Carr), that the composition of the Standing Committee on Law Amendments be amended as follows: The Maples (Mr. Cheema) for St. James (Mr. Edwards).

Mr. Speaker: I would like to thank the Honourable Member for Inkster.

SPEAKER'S RULING

Mr. Speaker: We have a ruling for the House. Order, please.

On Friday, November 16, 1990, I took under advisement a matter of privilege raised by the Honourable Member for Thompson (Mr. Ashton) alleging that the actions of the Honourable Minister of Co-operative, Consumer and Corporate Affairs (Mr. Connery) in this House during Question Period on November 15 constituted a breach of the privileges of this House.

As I have indicated in the past when matters of privilege have been raised, such matters are very serious. Therefore, I have given this matter careful thought and consideration.

In his motion the Honourable Member for Thompson (Mr. Ashton) proposed that the House censure the Minister for reflecting on the Speaker

and that the House direct the Minister to apologize for his actions. In his remarks the Honourable Member for Thompson (Mr. Ashton) stated that reflection on the Speaker was a matter of privilege or a contempt of the House.

In reviewing the usual parliamentary sources to which we refer in such cases, I noted the following points which apply, in my opinion, to this case:

An examination of Manitoba Speakers' Rulings indicated that on a number of occasions Members have apologized for or have been required to withdraw words spoken which reflected on the Chair and in some cases have been named for declining to do so when asked;

Beauchesne's 6th Edition, Citation 71.(1) informs us that "The Speaker should be protected against reflections on his or her actions."

Beauchesne's 6th Edition, Citation 168.(1) states "Reflections upon the character or actions of the Speaker may be punished as breaches of privilege." and, "The actions of the Speaker cannot be criticized incidentally in debate or upon any form of proceeding except by way of substantive motion." and

On page 115 Erskine May points out that "Any disorderly, contumacious or disrespectful conduct in the presence of either House or a Committee will constitute a contempt."

When a matter of privilege is brought to the attention of the House, the Speaker must satisfy himself or herself that the matter has been raised at the earliest opportunity and that a prima facie case has been established. For clarification, the establishment of a prima facie case requires that the Member raising the matter present sufficient evidence to warrant setting aside the regularly scheduled business of the House to allow immediate consideration of the alleged matter of privilege.

* (1420)

With respect to timeliness, the alleged incident occurred during the sitting of the House on November 15 but was not brought to the attention of the House until the start of the sitting of November 16. Our Rule 25 is very clear and states that "When a matter of privilege arises it shall be taken into consideration immediately." Beauchesne's 6th Edition, Citation 115, reinforces this rule by stating, "A question of privilege must be brought to the attention of the House at the first possible

opportunity." Timeliness in raising a matter of privilege has been the subject of a number of Manitoba Speakers' Rulings. On March 16, 1972, Speaker Fox ruled that a matter of privilege arising from events at the previous day's sitting was out of order on the grounds that it should have been raised on the day on which it occurred. The matter taken under advisement should have been raised at the earliest opportunity, which was during or immediately after Oral Questions on November 15.

The question of whether or not the Honourable Member for Thompson established a prima facie case is more complex. I did not see the alleged gestures, nor, obviously, is there any record of them in Hansard. The Question Period video tape, while not normally used in considering such matters, did not record any of the alleged actions of the Minister. An article in the November 17 issue of the Winnipeg Free Press did report that the Minister said he shook his finger at the Speaker and said that the Speaker should have let him finish the answer to the question. I must conclude, however, that the Honourable Member for Thompson has provided the House with insufficient evidence and has failed to establish a prima facie case.

The Honourable Government House Leader made the point on November 16 that a matter of privilege could not be based on statements made outside the House. In a review of the Manitoba Speakers' Rulings and other authorities, it is evident that a matter of privilege cannot be based exclusively on statements made outside the House. As stated by Speaker Lamoureux of the Canadian House of Commons in a ruling of May 10, 1966, a breach of privilege "must be based on matters arising from the actual transactions of the business of the House."

In conclusion, on the grounds that the matter was not raised at the earliest opportunity and that the Honourable Member for Thompson (Mr. Ashton) failed to establish a prima facie case, I must rule the matter raised out of order as a matter of privilege.

And finally, I believe I should remind all Honourable Members that decorum is important both to the public in the galleries and to the viewing public. In the words of Speaker Bosley of the House of Commons, we should "remember who we are, who put us here and where we are."

Hon. Edward Connery (Minister of Co-operative, Consumer and Corporate Affairs: Yes, Mr.

Speaker, if my actions were misinterpreted by Members, I would like to apologize for any action that I might have taken that would reflect upon the Chair. It is not my intent to reflect upon the Chair, and if something was taken out of context, Mr. Speaker, I apologize.

Mr. Speaker: I would like to thank the Honourable Minister.

ORDERS OF THE DAY

House Business

Mr. Speaker: The Honourable Government House Leader has the floor.

Hon. Clayton Manness (Government House Leader): Mr. Speaker, first of all on House Business, after discussions with the Opposition House Leaders, I believe there is a wish to cancel the Standing Committee on Public Accounts that was scheduled for 10 a.m. Thursday of this week. It is my intention to call that standing committee shortly after the Provincial Auditor reports to the Members of this House with respect to the 1990 fiscal year.

I believe there is an understanding amongst the Parties that private Members' hour will be waived today. You may wish to determine that on your own. That being the case, I would announce that we will continue the consideration of the Estimates of the Department of Agriculture in the Chamber, and the Department of Family Services in the Committee Room 255.

Mr. Speaker: I move, seconded by the Minister of Justice (Mr. McCrae), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

Mr. Speaker: Is there unanimous consent to cancel the Public Accounts meeting schedule for this Thursday?

Some Honourable Members: Agreed.

Mr. Speaker: That is agreed.

Is there unanimous consent to waive private Members' hour?

Some Honourable Members: Agreed.

Mr. Speaker: That is agreed.

As noted, Agriculture in the Chamber, Family Services in Room 255; therefore—

Committee Change

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, before you move the motion I just wanted to make one more committee change. I move, seconded by the Member for Crescentwood (Mr. Carr) that the composition of the Standing Committee on Economic Development be amended as follows: Osborne (Mr. Alcock) for River Heights (Mrs. Carstairs).

Mr. Speaker: I would like to thank the Honourable Member for Inkster.

* * *

Mr. Speaker: It has been moved by the Honourable Government House Leader (Mr. Manness), seconded by the Honourable Minister of Justice (Mr. McCrae), that Mr. Speaker do now leave the Chair, and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to, and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Family Services, and the Honourable Member for Seine River (Mrs. Dacquay) in the Chair for the Department of Agriculture.

* (1430)

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY—FAMILY SERVICES

Mr. Deputy Chairman (Marcel Laurendeau): Order, please. Will the Committee of Supply please come to order? This afternoon this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Family Services.

When the committee last sat it had been considering Item 4. Child and Family Services (a) Administration: (1) Salaries \$206,100, on page 61 of the Estimates Book. The Honourable Minister, you had some questions to answer.

Hon. Harold Gillehammer (Minister of Family Services): Mr. Deputy Chairman, we brought back some information on a number of items that I would like to share with the critics at this time.

The Member for Osborne (Mr. Alcock) requested I provide him with rate schedules and guidelines for care and support services to mentally handicapped

individuals. I am pleased to table a set of guidelines providing the information requested.

Secondly, the Member for Osborne requested a copy of the guidelines, with respect to the transition from Child to Adult Services. I am pleased to table information describing protocols for developing individual transition plans from school to community living for students requiring rehabilitation support services.

The Member for Wellington (Ms. Barrett) asked that I provide her with a list of organizations providing day activity programs for mentally handicapped adults, including the numbers of spaces provided. I am pleased to table a list showing individual agencies by region, the number of funded clients in each agency for 1990-91.

The Member for Osborne (Mr. Alcock) asked that I provide him with information on the allocation of Crisis Intervention funding for '90-91. I am pleased to table a listing of funding allocations for Crisis Intervention services by region indicating amounts expended by region to October 31, 1990.

The Member for Wellington (Ms. Barrett) asked that I provide her with a breakdown of the department's affirmative action target group representation according to job classification. I am pleased to table a document, which lists, at September 30, 1990, the total employment and the number of affirmative action target group employees in the Department of Family Services according to job, families and occupational groups. This classification is based on the Canadian Classification Dictionary of Occupations.

The Member for Osborne (Mr. Alcock) asked that I advise him of the amount of the department's contractual obligation to provide annual revenue under the Manitoba Data Services divestiture agreement. I wish to inform the Member, included in the terms of the agreement formalizing the divestiture of Manitoba Data Services is a commitment on the part of the Province of Manitoba to provide annual revenues in the amount of \$32,109,000 for a period of five years commencing January 1, 1990.

The Department of Family Services is contractually obligated to provide annual revenues of \$1,820,435.18 for each of those five years.

The Member for Wellington (Ms. Barrett) asked that I provide her with background information on

the members of the Social Services Advisory Committee. I am pleased to table that information.

Finally, the Member for Wellington requested information on the number of appeals, by region, to the Social Services Advisory Committee. I am pleased to table for the Member a document providing a regional breakdown of the number of appeals in 1989-90 to the Social Services Advisory Committee.

Mr. Reg Alcock (Osborne): Mr. Chairperson, just with reference to this information, I had also requested a breakdown of the amount of money spent since 1983 on the Child and Family Services Information System. Is that going to be forthcoming at some point?

Mr. Gillieshammer: Yes, we still have a number of requests I think we received as late as last evening. We will be compiling that information and forwarding it to you.

Mr. Alcock: I had handed over a copy of an annual report and asked that it be updated. I am wondering if that is available?

Mr. Gillieshammer: The Member for Osborne (Mr. Alcock) had requested that staff update his copy of the 1988-89 Annual Report for the Departments of Community Services, Employment Services, and Economic Security to show 1989-90 data. I have already provided the Member with updated data related to Rehabilitation and Community Living. Several of the tables in the 1988-89 Annual Report related to Child and Family Services are no longer available as we now compile data somewhat differently. To accommodate the Member's request, however, I am prepared to provide the two Opposition Critics with draft information on the department's four main operating divisions from Family Services 1989-90 Annual Report. I would ask the Members to note that this information has not yet been finalized and is not yet ready for formal tabling in the House.

I would indicate that other departments have not as yet tabled those annual reports for that specific year either, but we will provide this information in a draft basis for the Members today.

Mr. Alcock: I appreciate the Minister providing that information. I am a little concerned when I hear that data that has previously been provided in annual reports is no longer being provided. I would ask that the Minister ensure that where that is the case, there are reconciliation statements that show us, back at

least to 1980, what the situation would have been had we been collecting data in that fashion. It is a little too easy to hide programmatic changes by changing the data tables.

Mr. Gilleshammer: I am sure the Member would not want to be suggesting this is some attempt to hide information. We have worked very hard to provide all the information the Member has requested, having staff work late into the evening and on weekends to provide tables and information for him. The department is new and part of the transition is the combining of two large departments into one, and the information we are providing is in order to provide better information for the public who may want to read these annual reports.

Mr. Alcock: Well, let me clarify my remarks because I have had this same discussion with the Minister of Finance (Mr. Manness). The Minister of Finance has, indeed, concurred with me that there is a problem when departments are quick to change their annual reporting, because it makes it very difficult to track what is occurring in a department year over year.

The Minister is assuring me that information will be provided so that these new data tables will allow us to follow that, and I will take him at his word. It is not a small issue. It is something that was going to be discussed at length in an accounts committee, and something that the Minister of Finance has been willing to work quite closely with us on.

* (1440)

I have a question, though, on this information that was tabled, the Additional Care and Support Program description. This was tabled by the Minister in response to my request for the Treasury Board authorized levels of special rate funding so that line staff could authorize certain rates. The Minister replied several times under questioning that a line worker could apply, under these policy statements, up to \$150 in special rate funding to a case. I wonder if the Minister could help me by pointing out where that is stated?

Mr. Gilleshammer: I am sorry, we do not have a copy of that with us, but I am told that information is included there. If there is anything that the Member is unable to find, we will be happy to clarify that for him at a later date.

Mr. Alcock: The location E1, Section 55, page 4, speaks about a dollar limit of \$125 per day of service above currently authorized rates. Is it simply that the

Minister was in error when he gave us the \$150 figure or am I looking at the wrong item?

Mr. Gilleshammer: I would indicate to the Member that the maximum allowed is \$125.00.

Mr. Alcock: Well, the Hansards are not here yet, but the Minister referenced repeatedly—because I raised the figure a number of times—\$150.00. I mean, it may just be an error, given the discussions that took place. We will wait until the Hansards come out and the Minister can make what corrections he chooses to.

Do you want to respond to that or shall I—

Mr. Gilleshammer: We would consult Hansard when it comes out. If there is some difference of opinion, we will be able to check it in Hansard. If they are in error we will be pleased to make that correction.

Mr. Alcock: Mr. Deputy Chairperson, I thank the Minister for tabling this draft. It looks quite complete, and I will have a chance to go through it. I do realize that it is provided on a draft, and really for our convenience, basis. I appreciate that. I may come back later in this discussion with some questions on the data contained within.

Since we are still talking about the administrative division of Child and Family Services of this particular directorate, perhaps I can continue with some of the questions that got started last night.

We ended the discussion last night talking about something that the department has chosen to call the Structured Care Continuum in foster care.

The Minister, I thought, did a good thing in agreeing to review this policy and to meet with the foster parents and others who were concerned about this particular issue. I have had an opportunity to speak with some of them since last night and confirm that indeed their positions, as enunciated to me, were in fact their positions and that they have a great many concerns about this policy. I thank the Minister for agreeing to see that this policy is reviewed.

I would like to ask him, relative to the relationship between the directorate and the Native agencies, Native agencies deliver services under provincial legislation and presumably under the control and direction of the directorate, are they agreeing to implement this policy as directed by the department?

Mr. Gilleshammer: Our expectation is that they will participate in the process of studying the Structured Care Continuum and participate in it.

Mr. Alcock: Has the Minister, or the department, received any indication by, or on behalf of, the Native agencies to the contrary? Have you received anything in writing recently that suggests that they will not?

Mr. Gilleshammer: There has been no formal indication on their part that they are not willing to participate.

Mr. Alcock: Then, informal notification?

Mr. Gilleshammer: No.

Mr. Alcock: Well, we will leave that one until they take the actions that they choose to take.

Now, is it the Manitoba Learning Centre, or the Manitoba education centre, something that was raised today in Question Period, which provides some assessment of children with learning disabilities, children, I believe, even some adults.

The Minister of Education (Mr. Derkach) spoke today about how that service would be inappropriate for education to fund, but then it was indeed funded by Children's Home, or through Children's Home.

I note, in looking at the agreement that was tabled last night, that there is no mention of this particular service, and I am wondering if the Minister can tell us how then, given the statements of the Minister of Education, it receives support?

Mr. Gilleshammer: Yes, it was a service offered by Children's Home of Winnipeg, and I believe that the parties to the agreement, and there was some provincial funding and federal funding involved, felt that the results of the program did not warrant continuing with the program.

There have been ongoing meetings by the groups involved to see if there are alternatives that might be put in place, and I believe they met as recently as the 14th of this month to discuss options that we might look at for the next budget year.

Mr. Alcock: So that the groups that were involved in seeing that this project was launched, or had a relationship with this project, have decided collectively based on an evaluation of this project that it is not meeting the needs that it was designed to meet and, therefore, funding should be discontinued?

Mr. Gilleshammer: That is my understanding. That the principal groups involved felt the results were

such that it did not warrant continuing with the program at this time.

Mr. Alcock: Mr. Deputy Chairperson, we will leave that issue to those groups. As long as there is a study in place that says the service is not meeting the needs—the Minister assures us that is the case—then it would be appropriate to discontinue funding.

Let us come back to the relationship just briefly with the Native agencies. Native agencies are responsible to the directorate and accountable to the directorate for all the services that they provide.

Mr. Gilleshammer: Yes, on the service side they report to the directorate.

Mr. Alcock: Why then in the annual reports is data from two of the Native agencies not included?

* (1450)

Mr. Gilleshammer: We have included data that has been forwarded to us. There has been some difficulty in getting data from two of the agencies.

Mr. Alcock: This is a difficulty that is continued. I notice in the last two or three annual reports that data has not been forthcoming from those same agencies. These agencies operate, the Minister assures me, under the direction of the Child and Family Support directorate. Why has that situation not been corrected?

Mr. Gilleshammer: Our concern is to work with those agencies in a co-operative way and to assist them to provide the services that are deemed appropriate. We are working with them to try and encourage them and persuade them to provide that data for us.

Mr. Alcock: Is there a difficulty in obtaining that sort of data? Is there a problem in the relationship between the agencies and the directorate?

Mr. Gilleshammer: They have been reluctant to share some of that information with the department staff, but it is an ongoing process. We are working with them to have them provide that data for us.

Mr. Alcock: Does their reluctance to share that information also extend to, or is there any reluctance on their part in involving themselves, in the Structured Care Continuum?

Mr. Gilleshammer: The Member had asked the question earlier. We have not been formally or informally advised that there is a problem having them involved with the Structured Care Continuum.

Mr. Alcock: Let me just try to wrap up this section with a couple of smaller areas.

The Member for Wellington (Ms. Barrett) raised the question of the children's rights convention in Question Period today. The Minister and I had a discussion about this earlier, because we have a resolution on the Order Paper asking that the House approve it, and in fact a request was made that the Minister participate in making this a non-partisan event.

Does the department intend to proceed with ratification of the convention?

Mr. Gilleshammer: That is an issue that is being reviewed by another department of Government at this time to see if there are any contradictions or problems with it and will be coming forward in due course.

Mr. Alcock: Would that other department be Justice?

Mr. Gilleshammer: That is correct.

Mr. Alcock: Is anyone from this department involved in that review?

Mr. Gilleshammer: The primary work on that issue is being done by Justice, but we have people who are in contact with that department.

Mr. Alcock: Has there been any internal review by this department to determine the impact on services offered through this department, of this convention?

Mr. Gilleshammer: Yes, the department is doing an analysis of the issue and will be meeting with Justice to provide input on it.

Mr. Alcock: When does Justice inform you that we will have a proclamation or a decision on this particular issue?

Mr. Gilleshammer: I am told that the Department of Justice is working on it at this time, and we have not been advised if they have a target date for any announcement or not.

Mr. Alcock: Maybe we can just dispel a rumour that exists in the system right now. In all the discussions that take place among the agencies about the funding changes and the problems that they face in attempting to cut back services sufficiently to meet the guidelines put forward by the department, and as they are deciding which groups they are not going to serve and those various things, there is a belief and certainly a very active rumour, that the Government is simply attempting to set them up so the Government can then move in and centralize the

agencies, either into three city agencies or one large agency, as they have done with Winnipeg region again.

Is there currently work under way on a proposal to centralize the agencies?

Mr. Gilleshammer: I am not aware of the rumours that the Member speaks of. No, there is no work under way in that context.

Mr. Alcock: So there is no attempt right now by this department, this division, to change the current organizational structure in Child and Family Services?

Mr. Gilleshammer: At the present time we are actively working with the agencies on the service and funding agreements and trying to proceed through a transition year and hopefully have a better service system when the procedure is completed.

Mr. Alcock: When do you anticipate having those agreements in place?

Mr. Gilleshammer: We had hoped to have had them in place by now, and the work is ongoing. I am not sure we can give you a definitive date on that, but work is proceeding on them.

Mr. Alcock: By April 1 of '91?

Mr. Gilleshammer: It would be hoped that the agreements would be completed prior to that.

Mr. Alcock: Are Native agencies being expected to sign the same agreements?

Mr. Gilleshammer: There is a fundamental difference, of course, in that their funding is accessed from the federal Government. On the service side of it, we are in constant review with those agencies on the services that they provide.

Mr. Alcock: You do provide some funding to them?

Mr. Gilleshammer: The Member is correct in that we do provide some funding for the Native agencies, but the primary funding comes from the federal Government. We will be reviewing the funding that flows from the provincial Government to the Native agencies, and the services that they provide. Right at the moment our primary focus is on the other Child and Family Services agencies that exist in the province.

Mr. Alcock: Surely if you are paying a rate based on a provision of a certain kind of service that there would be no difference depending on the agency providing the service.

Mr. Gilleshammer: Yes, I have indicated to the Member that we will be reviewing our funding relationship with the Native agencies, but our primary concern at the moment is the other Child and Family Services agencies that we fund to a much greater extent.

* (1500)

Mr. Alcock: I note in the information that was tabled, there has been about a 20 percent increase in child abuse cases in the year under review in this most recent annual report, the '89-90, which is one year behind the current. Can the Minister give us a rough idea of the year over year increase to date as we move into the '90-91 year?

Mr. Gilleshammer: We do not have a figure that we can give the Member today, but I will ask department staff to research that and indicate that figure to the Member.

Mr. Alcock: I can tell the Minister from a very quick glance through the tables in this report that I do have some serious concerns about the child maintenance day care table and would like to discuss that later when we get down to that line. Perhaps the Minister could be prepared for that.

Beyond that, I think we are prepared to pass the administration section of this division.

Mr. Deputy Chairman: Item 4.(a)(1) Salaries \$206,100—pass; (2) Other Expenditures \$23,000—pass; (b) Child and Family Support (1) Salaries \$1,958,800.00.

Ms. Becky Barrett (Wellington): Mr. Deputy Chair, again I am going to ask a few questions to try and put this part of the Child and Family Services division into perspective, particularly the Child and Family Support area as opposed to the Seven Oaks Centre.

There are 26.26 Professional/Technical people in this particular area. As I have asked in the others, can the Minister provide me with their general kinds of backgrounds, kinds of backgrounds that the people that are in these positions have?

Mr. Gilleshammer: Yes, we have two managerial staff, one with a B.A., one with a B.S.W.; we have 23.5 program consultants, most of them with Bachelor of Social Work, or Master of Social Work, some with some accounting background; 22 admin. support who are clerical and some with accounting training; and five term with a varied background.

Ms. Barrett: Mr. Deputy Chair, are these positions, I assume, Civil Service positions as well?

Mr. Gilleshammer: Yes, they are.

Ms. Barrett: When I look at the Objectives as listed on page 70 of the Estimates, this would appear to be an incredibly important part of this whole division, the linchpin, if you will, because it is: To plan and develop a comprehensive continuum of services and ensure the delivery of those services. I am assuming that these people have a very important part, a very important role, to play in the implementation of the policy and also I would venture to guess in the making of the policy at the very least as it reflects directly on the agencies.

Is that a fair estimation of the role this particular part plays in the whole delivery of service?

(Mrs. Rosemary Vodrey, Acting Chairman, in the Chair)

Mr. Gilleshammer: Yes, that is a fair estimation.

Ms. Barrett: Do they have regular meetings with all of the mandated agencies, external and internal? Are they the group that sort of takes the concerns and the issues back and forth from the agencies and the divisions to the administration and the planning?

Mr. Gilleshammer: Yes, I am told that the communications is constant between this group and the agencies.

Ms. Barrett: Of the 26.25 Professional/Technical people, are they divided up among the different agencies? Do they each have responsibility for a variety of agencies or subgroups, or what is their caseload like, if that is an appropriate use of the word?

Mr. Gilleshammer: I am told that they are divided by program specialty rather than divided on an agency basis.

Ms. Barrett: Program specialty, what kinds of things would be involved in the programs?

Mr. Gilleshammer: Maybe I will give you three examples. There are some are program specialists in the area of adoption, others foster care and still others in abuse.

Ms. Barrett: Those are only three of the possible areas, there would be more areas—okay.

Could the Minister give me an example of some of the research and evaluation activities that have been done on the part of the Support Services?

Mr. Gilleshammer: This group does not do research and evaluation projects as such, but more appropriately does compliance audits.

Ms. Barrett: Compliance audits, meaning making sure that the accountability function—that agencies are following the rules and regulations and actually providing service to the people that they say they are providing service to. Is that what you mean by compliance audits?

Mr. Gilleshammer: Yes, the funding that is flowed to the agencies must reflect the service that is provided by them.

Ms. Barrett: What form do these compliance audits take? Are they quarterly reports that are required by agencies to turn in or are they just sometimes members of Child and Family Support actually visit the agencies? Is it a combination of a variety of factors?

* (1510)

Mr. Gilleshammer: Yes, it is a combination of visiting the agencies and working with them, looking over the cases and monitoring files that they have compiled on the various cases.

Ms. Barrett: Madam Acting Chair, so these individuals can go from Child and Family Support, and they have access to individual cases?

Mr. Gilleshammer: Yes, they have access to the files on actual cases.

Ms. Barrett: To what end do they take a look at individual cases. Is this just a "let us take a look at every 10th case and see what is being done" sort of—just a general review, or do they sometimes respond to concerns raised about suitability of how a case has been handled? What is their role in that regard?

Mr. Gilleshammer: The case files are reviewed on a random basis, and there are times that cases may be referred to the Deputy Minister level if the perception is that perhaps it needs some review.

Ms. Barrett: There would be times when Child and Family Support would go into an agency and—or I assume regularly—that all agencies are expected to comply with a request to come in and take a look at their random files. Then the Child and Family Support could on their own—they have the authority to say, okay, I do not like the way this case has been handled, and I am going to deal with it. I am trying to get at what the role here is of the child and family vis-a-vis authority, or the ability to make

changes—to demand if you will—that the agency make some changes.

Mr. Gilleshammer: Well, the members of the department have the authority to monitor the case files more on the basis of working with supervisory staff in the agencies to monitor how the case is being handled.

Ms. Barrett: I understand that, and that is probably so that everyone knows how things are operating. But they could actually go in and say, I need to see, or I will see, X number of cases from this particular section of a Child and Family Services agency or from this particular worker. Do they have the authority to do that?

Mr. Gilleshammer: Yes, they have the authority to monitor these cases. Certainly the protection of children and families is uppermost in our minds to see that proper procedures are being followed and that in fact the members of the public are getting the service that is appropriate.

Ms. Barrett: I am trying to establish a line of authority I think here. This Child and Family Support can initiate those reviews and they have the authority, and an agency does not have the right to say, no, you cannot come in and do that. Is that basically it?

(Mr. Deputy Chairman in the Chair)

Mr. Gilleshammer: That is correct.

Ms. Barrett: Mr. Deputy Chair, could the Minister explain the process of Child and Family Support in the ongoing negotiations, consultations and discussions with the Child and Family Services agencies?

Mr. Gilleshammer: I think the Member has covered the waterfront there. They are involved in discussions and a process with the agencies on an ongoing basis and will be for some weeks to come.

Ms. Barrett: They do have more than just a peer role in this process, because what you have said, they do have the authority to say, we actually can access your cases and your files, and we can make determinations as to whether you are providing adequate service, and we can demand that you make program or staffing or caseload changes. Am I overstating that situation or is that in actual fact what can happen?

Mr. Gilleshammer: It is the responsibility of the Directorate to monitor the care that has been provided, and the Directorate has passed on the

authority to do the job to the agencies. The Act gives the authority to the Child and Family Support branch of Government.

Ms. Barrett: What the Act says is that Child and Family Support has the authority, and they are in a sense delegating the implementation of the programs and the policies and the standards to these various external groups. They still maintain that final authority and therefore have the ability and the right to go in and say you are not doing it properly, or you are doing it properly, or they have the right to go in and say, I need to look at these kinds of things so that I can determine whether the delegation is actually functioning properly.

Mr. Gillehammer: Yes, that is correct. The authority rests with the Child and Family Support Directorate and has been delegated to the agencies to carry out that mandate.

Ms. Barrett: Are there any records at all that are not privy to this Child and Family Support process?

Mr. Gillehammer: The Child and Family Support Directorate have access to all of the records.

Ms. Barrett: Does the Child and Family Support Directorate have, through a computer operation of some sort—I am assuming that there is a lot of computer programming that is done here—can they access information directly without letting the Child and Family Services agencies know that they are doing this?

Mr. Gillehammer: Yes, the answer is no, that they cannot access this information by computer. It is an area that I am interested in. I think we have a lot of work to do in terms of gathering our information in a computer system, and I think making some real reforms to the system by putting in place a computer program.

* (1520)

Ms. Barrett: I have a concern in this area, probably largely due to the fact that I am virtually computer illiterate so I am nervous about the potentials for what computers can do. I do have that concern. I also have a concern, and I am not suggesting that there is any abridgment or any misuse of this authority and power, if you will, that this support directorate has, but I do have a concern that the client confidentiality is potentially at risk here.

How many times would you say the Child and Family Support directorate actually accesses individual cases and goes through individual cases?

Is that on a random regular basis, or do they do that pretty much when they think there is something inappropriate happening?

Mr. Gillehammer: Perhaps too, because the Member is interested, we could give you the duties of the director under the Act. It might satisfy some of her questions.

The duties of the director under the control and direction of the Minister, the director shall administer and enforce the provisions of this Act; advise the Minister on matters relating to Child and Family Services; advise agencies; ensure the development and establishment of standards of services and practices and procedures to be followed where services are provided to children and families; ensure that agencies are providing the standard of services and are following the procedures and practices established pursuant to clause (d) and by the provisions of this Act and the regulations; receive and hear complaints from any person affected by the administrative actions of an agency.

Also exercise the powers and duties of an agency in any area in which no agency is functioning; supervise or direct the supervision of children in care, and receive and disburse monies payable for their maintenance; protect children in need of protection; ensure the development of appropriate placement resources for children; submit a yearly budget for the child and family services system and keep books of account of all moneys received and disbursed by the director; prepare and submit an annual report to the Minister; perform such other duties as may be prescribed by this Act, by the regulations, or as may be required by the minister. So the powers, or the authority, of the director is quite extensive. I hope that assists the Member to understand it.

The question of the computers, I think, is again a direction that we would like to proceed in the very near future to provide us with information that is now done by hand in files and is just a far cry from the type of information gathering systems that are available in this highly technical world of ours.

Ms. Barrett: Mr. Deputy Chairman, I understand wanting to go from paper to computer.

It is not very clearly defined, because I do not know exactly what the plan is in this department, in this division. I do have some concerns that—I guess on two levels. The confidentiality of individual clients is a problem for me. I am not suggesting that I cannot

be convinced that there is not the potential for abuse here.

The other is again the question of autonomy versus not autonomy or degree of autonomy with the Child and Family Service agencies. It seems to me this has a potential for—and I am stating at this point—being intrusive. I know that is a very strong word. I am just suggesting that I am a little uncomfortable with who oversees the overseers, that it appears to be that the Child and Family Support division has an enormous amount of authority over these agencies and can demand things of them.

That is a bit concerning to me just on a theoretical basis.

Mr. Gilleshammer: I take very seriously the Member's concerns about confidentiality. I think that confidentiality, in some very personal information that would be compiled on clients and foster parents that they reside with, is something that is very important.

I can assure the Member that there are systems that are available to compile information that have the confidentiality and the protection of that confidentiality built into them.

On Friday last when we went up to Dauphin to meet with the MMF and other groups, one of the agencies we visited was the social allowance agency our department has in Dauphin, and they are fully computerized with a much larger number of clients. I think there are some 25,000 clients who access the social allowance system.

This is a system that has been put in place for a number of years, and the value of the compilation of information is very obvious how that information is gathered and stored and the client served by the use of modern technology.

The point is still well taken that this is confidential information. No matter what system you use, that confidentiality has to be a concern. Confidentiality, or the breach of it, can occur with any system. Even though the Member is not computer literate, but an English major, I am sure would understand that the confidentiality can be achieved by the use of the proper programming.

As far as the autonomy, it is a unique, in many ways, situation where the province is the funding authority and has the authority to deliver service but delegates that to agencies. I think that this is a very young system that we are working under. Some of

the issues that come up from time to time that might even be raised by critics is because it is a situation of decentralization that was created fairly recently, and certainly there are some growing pains there. We have talked about this being a transition year and the attempts to stabilize the system.

Some of the growing pains are ongoing, but we would hope that we are on the way to proving or providing a better system of service for the clients that come into contact with this department.

* (1530)

Ms. Barrett: I just have a couple more questions to have, I hope, clarification for myself on what I understand to be the plan for an implementation of a far-ranging computer data collecting system. I know there are programs available that can collect data that does not identify. I know there is also the ability of people to still go into paper files and see information.

I would like to ask a specific question, not about Child and Family Services, but about an area that I am more familiar with, which is women in second-stage housing. We have case files that are definitely not on computer. They are very personal and in an enormous amount of personal detail. Could someone come in to a situation like that and demand or ask for and expect to receive that file, or would they ask for and expect to receive the fact that this is a woman of 27 years of age who has three children and this was the situation, without identifying information, and this was the treatment model that was followed? Which of those types of data would be asked of by Child and Family Support division?

Mr. Gilleshammer: We have not begun to think about automating the information collection from shelters. The concern in the immediate future would be some automation vis-a-vis the Child and Family Services agencies.

Ms. Barrett: I was using the second-stage example as an example. There would be that kind of data available in a Child and Family Services agency case file as well. Would the Child and Family Support division be able to physically take a look at that file with all of its names and identifying data?

Mr. Gilleshammer: They have that authority under the Act.

Ms. Barrett: I would like to ask a couple more questions. Under Activity Identification, it states that this division will establish standards of service

delivery and evaluate agency programs in relation to these service standards. I am wondering if the Minister can describe some of these standards of service delivery. My understanding last night was that we had a discussion about one standard of service delivery in relation to child protection caseloads. I am wondering if that is the kind of thing or if the Minister can give me a general sense of what standards of service delivery there are?

Mr. Gilleshammer: The Member for Osborne (Mr. Alcock), I believe, inquired yesterday about service standards, so we have the manual here in front of us today with those service standards. There are a number of areas that are identified under Program Administration, Services to Families, Child Protection, Children in Care, Adoption Services and so forth. I am not sure whether the Member was wanting to be more specific or simply wanted to know that some standards existed.

Ms. Barrett: I am delighted to know that standards do exist. I guess I am wondering, are they as specific as—because it seems to me this is important, because this division has a great deal of authority and responsibility to do an enormous amount of work with these agencies. I just want to get a sense of what kinds of standards, because I know standards of service delivery, particularly in areas of service to individuals and families, are of necessity broadly defined. They can also be very narrowly defined.

I am just wondering if these service delivery elements are a combination of both. Are they used when going in and talking to agencies or saying, look, you are messing up here? Do agencies have the ability to take a look at this and say, wait a minute, this is a standard, and we are meeting it and you are wrong?

Mr. Gilleshammer: This is the manual that the agencies work from. In answer to your question, they are acquainted with it and have access to it.

Ms. Barrett: It is well understood by all agencies that these are the standards by which they are going to be judged, that they have access to them, and that they can dispute with the Child and Family Support their suggestions that these standards are not being followed?

Mr. Gilleshammer: Yes, they have the information available to them and are privy to it and, I am sure, can enter into discussion with department staff, if they wish to discuss any portion of it.

Ms. Barrett: So we have a situation where there is a concern that has been raised or a concern that the Child and Family Support division says that the service standard is not being met and goes in and talks with the agency. The agency says, we cannot meet this service standard, because we do not have the resources to meet this service standard. Can the Child and Family Support division say, yes, you do have the resources to meet this service standard, and you will do this and this to meet it? Is that the kind of dialogue that could theoretically take place between this division and an agency?

Mr. Gilleshammer: In practice the branch is there to support the agencies and rather than enter into an adversarial type of relationship, the branch supports the staff of the agency in doing the job that they are mandated to do.

Ms. Barrett: I understand that it is best if these relationships are not adversarial and that they are collegial. However, I would venture to say that any time you get into a situation where you are looking at reduced resources—or rephrase that—where you are looking at a situation which appears to me to be the case in Child and Family Services this year, where one part of this dialogue says the cup is half full and the other part of the dialogue says the cup is half empty, that is tending to lead, not to a dialogue, but perhaps to a bit of tension and maybe working towards the adversarial rather than the collegial thing.

I am concerned about what happens in the worst case scenario where you do have disagreement between agencies and the Child and Family Support division. If things are working well, then they will work collegially. Systems are in place, and the test of a system is when it is not working collegially.

My assumption, from what I have gathered, is that currently we are in a bit of a disagreement between Child and Family Services agencies and the Child and Family Support division. When this takes place, my understanding then is that the Child and Family Support division can say to an agency, no—for the purposes of this discussion—the cup is half full and your half-full cup will have to do.

* (1540)

An Honourable Member: Now I am totally confused.

An Honourable Member: It would not be the first time, Jim.

Mr. Deputy Chairman: Order, please; order, please. The Honourable Minister has the floor.

Mr. Gilleshammer: I would like to indicate to the Member that the relationship between the members of this branch and the agencies has been a good one and that they are there to support them. We are talking about auditing cases and working with them on case management. I am told that, generally, the relationship is a positive one.

Ms. Barrett: I am not suggesting, in many cases, if not the majority of cases, that is an accurate assessment, but I also think there are tensions in this year of transition that have risen to the surface. I am trying to understand the dynamics here. I believe I am correct in saying, if it comes down to a cup being half full or a cup being half empty, what the Child and Family Support division says is, in effect, what the agencies will have to live with.

Mr. Gilleshammer: The analogy, of course, is an interesting one. The cup is actually running over, and we are trying to just match the funding available with the services provided. That is sort of the substance of the service and funding agreements.

Ms. Barrett: I understand the substance of the, one hopes, soon to be forthcoming service agreements, but I am suggesting that individuals' and groups' sense of reality is always slightly different. We all have an individual perception of what it is we see and where we are coming from. An agency that says—well, let us just take the example of the child protection worker position that was requested by Child and Family Central. My understanding is the Child and Family Support division denied that request. Is that accurate that they said, you can find from within to handle that situation?

Mr. Gilleshammer: The case that the Member cites is a case of the agency staffing beyond the prescribed number of workers, and the recommendation was that the resources be found elsewhere within the agency.

Ms. Barrett: I am going to refrain from responding to the area that there is enough funding, because we had this discussion last night. I think that was a good example of half full, half empty, or overflowing and almost empty. The Minister responded by saying that Child and Family Support division recommended that Child and Family Central find that position from within. Is that a recommendation, or can Child and Family Support division say, we will

not fund you for that additional position? So that it is more than just a recommendation; it is a directive.

Mr. Gilleshammer: Yes, because they have exceeded their funding guidelines, it becomes a directive.

Ms. Barrett: Can the Minister show me in the Act where it states that if an agency exceeds its funding it shall not have access to additional monies?

Mr. Gilleshammer: Yes, the Act does not get that specific, but under the duties of the agencies, it is indicated that agencies conform to a written directive of the director.

Ms. Barrett: I guess my question did have a bit of facetiousness in it. I did not expect that the Act would have been that specific and that there would be the authority, but I guess the response to my question sort of states what I have been trying to get at, that this division does have authority over the agencies in their ability to—well, I would suggest—provide service as well as the funding, and that they are responding at the other side. They are responding from a policy statement, a mandate, a directive, from the Government.

The Government says what we want to do in this year of transition is have Child and Family Services agencies provide us with balanced budgets based on the same budget that we allocated them for '90-91 and you, as Child and Family Support division personnel, will implement this Government directive.

They in turn then go to the Child and Family Services agencies and state: This is the directive that we are sharing with you, and you will then conform to this directive which has come to us from the Government. The directive is not in stone anywhere. It is basically a governmental, and I would suggest to say political decision that has been made by the Government, political in the sense of it is governmental. It is not necessarily based on solid, good social service theory.

(Mrs. Rosemary Vodrey, Acting Chairman, in the Chair)

Mr. Gilleshammer: Some of what you say is correct. The direction has been given to the agencies whose cup is overflowing to try and keep within its bounds, and hence the balanced budget. Yes, the Child and Family Support branch does have the authority to indicate to the agencies that they have to live within those expenditures. As you indicate, in this year of transition, there will be some

priority setting going on. The system will be making some corrections and hopefully proceed into the new year with a balanced budget, and know exactly what services they are providing and what funding is going to be available.

Ms. Barrett: I could go on on this tack, but I will not at this point. I do have a couple of other specific questions.

Does the Child and Family Support division have the same mandated authority over the foster homes as they do over Child and Family Services agencies, or are they in a different area as far as the ability of this division to monitor their services?

Mr. Gilleshammer: The foster homes relate directly to the agencies so that the department has a more indirect relationship, but the branch does in fact set standards for foster homes.

* (1550)

Ms. Barrett: The only way the division would get involved with a foster home situation would be if the agency said, we have a problem. Would they never get involved in that? Is it that indirect that it would only go through the agency rather than through this division?

Mr. Gilleshammer: We would be involved with the foster family if we were investigating a specific case, or if the foster family came directly to us to discuss this specific case.

Ms. Barrett: Does that happen often, or is that an exception rather than the rule? Is the exception the foster families deal more with the agency?

Mr. Gilleshammer: I am told it is more of an exceptional basis that the agency would be involved with a foster family.

Ms. Barrett: I am not clear. So the exception is the division being directly involved with the foster family?

Mr. Gilleshammer: That is correct. The branch is involved with the agencies on a regular basis. It would be more an exceptional circumstance where the branch was involved with a foster family.

Ms. Barrett: It says that the division recruits, trains and provides support to the 1,400 foster homes. Do they do that directly or is that done through the agencies?

Mr. Gilleshammer: Basically that is done through the agencies.

Ms. Barrett: As I read that sentence, I see that it is all connected. Thank you.

The development of a province-wide strategy and implementation of a care continuum, is that Structured Care Continuum the one that has been under discussion here?

Mr. Gilleshammer: Yes, that is correct. The Structured Care Continuum was brought up by your colleague yesterday, and we discussed it last night and again today.

Ms. Barrett: I just have a couple of quick questions on some of these service standards. Have they been implemented or not? The introduction of service contracts and revised funding systems and the expected results is, my understanding, under way, has not actually happened. So I would ask: Has the establishment of service standards for delivery of homemaker and family support programs happened, or is it under way as well?

Mr. Gilleshammer: I am told that this initiative is under way.

Ms. Barrett: As it is under way, are there current standards that are being reviewed, or are there no existing standards for homemaker and family support programs?

Mr. Gilleshammer: I am told that the standards are partially developed.

Ms. Barrett: So in the past there have not been standards for homemaker and family support programs?

Mr. Gilleshammer: There was some preliminary work that had been done in terms of standards here, but it is an ongoing process.

Ms. Barrett: If there are concerns about any of the homemaker or family support programs that are currently being delivered, they would be dealt with on a case-by-case basis? There is nothing in those program standards manuals that deals directly with this part.

Mr. Gilleshammer: As these standards are worked on and on their way to completion, incidents or cases would be dealt with on a case-by-case basis.

Ms. Barrett: I am interested in this because how long has homemaker and family support services been delivered? It is interesting that there would not be standards on this one. Can the Minister explain why standards have not been provided for these areas?

Mr. Gilleshammer: There were some standards in existence to deal with very specific aspects of being a homemaker. I think it is fair to say that these standards are being expanded to take a more thorough and in-depth look at that situation.

Ms. Barrett: Have the quarterly joint consultation meetings with agency executive directors and senior departmental staff happened? Are they just starting to happen? If they are happening, how long have they been in place?

* (1600)

Mr. Gilleshammer: Those quarterly meetings have been going on since the regionalization concept came into being.

Ms. Barrett: Could the Minister elaborate a bit on the strategic service plan concept, that says in the Results there is going to be a development of one?

Mr. Gilleshammer: That is the service and funding agreements that we have occasionally spoken of.

Ms. Barrett: It also discusses introduction of management training and development workshop for agencies, boards and senior staff. Have any of these taken place and if so, with which agencies?

Mr. Gilleshammer: That refers to in-service training programs and board development, training for boards. We are just working on some guidelines and programming for that, but the boards and staff training is accounted for within agency budgets.

Ms. Barrett: So at this point these have not been held? They are just in the planning stages?

Mr. Gilleshammer: Yes, as far as the department-directed ones, but I dare say that boards have had their own in-service training and board awareness sessions.

Ms. Barrett: Could the Minister give me a general idea of the kinds of topics that would be covered under these management training and development workshops, and why, given my understanding that there are a lot of these programs available from private agencies and other groups, the division feels the need to implement another set of workshops in this area.

Mr. Gilleshammer: With any professional group, whether they be social workers or boards, whether they be teachers or nurses, the in-service training is an ongoing function that takes place. From time to time, topics are identified, whereby some training and in-servicing is required. I could give you the titles of some of the workshops that have taken

place, if that would help assist you understand it: Child Abuse Reporting Guidelines, Treatment of Adult Sexual Abuse Survivors, Child Abuse, AIDS Awareness Workshop, Medical and Child Development Issues in Child Abuse, Family Violence and Wife Abuse. There are a couple more pages of them. I think with any group you can identify topics from time to time, whereby the latest thinking is important to present to workers and support staff. This type of in-servicing would be a regular ongoing type of event.

Ms. Barrett: I was thinking in terms of more general kinds of what do boards of non-profit agencies do, and how do they influence the funders to see that the cup is half empty rather than overflowing? I appreciate that this is more of a subject-specific series of workshops. I intimated from your answer that staff and boards are invited to these, so it helps boards as well understand the issues that the agencies are dealing with on a daily basis?

Mr. Gilleshammer: A lot of the in-servicing, of course, is targeted to staff as those are issues that come up in the front line work that staff do. Certainly board development—if you look at any kind of board where people basically are appointed or elected to serve, some of them need assistance with financial background, how to read a balance sheet, others need assistance in simply determining how a proper meeting is conducted, how decisions are arrived at, the committee structures that may take place within a board. Essentially, there is a growing period that boards go through. As you appoint new members, sometimes the same types of sessions have to be held over and over again.

Ms. Barrett: So that second type of board development was what I was thinking more in terms of. Do boards of the agencies ask for these workshops, or do the Child and Family Support division workers suggest that certain boards might benefit? Are the financial implications of holding these workshops recognized by the department in helping these agencies set their budgets?

Mr. Gilleshammer: I think that any type of board development that we can do has some real long-term benefits. We have seen examples of boards who, for instance, make errors in judgment based on information that was brought forward that was incorrect simply because someone had not read a balance sheet properly. We would hope that this is something that we can get into in providing board training and awareness of issues and

informed judgments and decision-making. This is something that has not happened to any great extent. I think it is something that needs to be done. You can think of examples of volunteer boards that perhaps you are involved with—and I notice you are shaking your head to the affirmative, that board development would be a very positive thing.

Service clubs go through this from time to time where new executives are elected, and the whole decision-making process seems to have hit a stone wall. The organization of the activities and meetings and so forth just needs some sort of encouragement or some changes which would make them work more smoothly. There are a lot of private sector consultants now who do a lot of work in terms of board development. There may even be some of them nearby.

* (1610)

Ms. Barrett: So the board development side of this item in Expected Results has not yet happened to any great extent. I could not agree more with the Minister—and please let the record show this—about the importance of volunteer boards knowing—

Point of Order

Mr. Alcock: Point of order, Madam Acting Chairman, I did not hear the full remark, but my colleague informs me that the Minister has made some comment about my providing consulting services to the boards of Child and Family Services agencies. I would like to clear the record on that, because the Premier (Mr. Filmon) said the same thing.

I did one workshop with one agency. The fee was donated to the Manitoba Foster Parents' Association, and it was done after consulting with the former Minister and receiving her support for it, because I did not want that fact to be used against the agencies. I find that the actions of the Premier have been reprehensible in this regard, and I would hope that the Minister would not compound that error.

The Acting Chairman (Mrs. Vodrey): I would like to thank the Honourable Member for Osborne for his comments. The Honourable Member does not have a point of order. That was a dispute over the facts.

Mr. Gilleshammer: I think the Member is reacting on information which was not totally correct. We are discussing the need for board training and in-servicing. I am saying that there are a lot of private sector consultants that do that sort of work. -(interjection)- Yes, there are consultants within the City of Winnipeg who provide that sort of training. My comment was meant to show that you do not have to bring consultants in from Los Angeles or New York to do this sort of thing.

I can tell you that a former colleague of mine, who was with the Manitoba Association of School Trustees and who has recently retired, is working full time on board development with school boards, with municipal councils, with credit union boards and boards of all sorts. I think that is the comment that I was making, that the availability of resources to do board training and in-servicing is nearby. It is something that boards have to be encouraged to take advantage of from time to time, so that they can function more properly.

Certainly, I did not mean to imply that anyone in this room would be providing that type of service. I am just saying that is an important function that we are in discussion over, and I think there was some agreement on.

The Acting Chairman (Mrs. Vodrey): I would like to thank the Honourable Minister for his comments.

Ms. Barrett: Yes, I was agreeing with the Minister and asking that be shown on the record, that we both agree on the importance of well-trained, knowledgeable boards. I have two questions on this, and then I will move on.

Is the Child and Family Support division planning to be able to provide those board training programs from staff currently in the Department of Family Services?

Mr. Gilleshammer: We spoke earlier of the agency relations staff, and it would be a joint effort with the branch involved here, that we are discussing, and the agency relations staff.

Ms. Barrett: Will the Child and Family Services agencies that are—clearly in this being an expected result of Child and Family Support division, that they not only develop these programs, but that advantage is taken of them by the Child and Family Services agencies.

I ask the Minister again: Do the current funding discussions that are under way with Child and Family Services agencies take into account the costs that would be required to fund these workshops, whether they are provided by Child and Family Support or external individuals?

Mr. Gilleshammer: I am told that there is currently a line in the budget that provides for this type of training.

Ms. Barrett: So that would presuppose that agencies will be expected to take advantage of that line in the budget?

Mr. Gilleshammer: It is not a new line in the budget. It is one that has existed there before and that we would encourage agencies to access and to take advantage of in planning their ongoing training programs.

Ms. Barrett: I will hold that for probably the next year when it will be a little further along.

Finally, again back to the role of Child and Family Support division, it says that it funds Child and Family Services. Does this division decide or recommend which agencies should get funding and which agencies should not get funding? Does it have an input into that process?

Mr. Gilleshammer: All of the agencies get funding. This particular branch does have an input into the budget process.

Ms. Barrett: So this division would have had some input into the decision not to fund the Manitoba Metis Federation stand-alone child and family service agency?

Mr. Gilleshammer: They would have had some input into the analysis that went into making that decision by Government.

Ms. Barrett: I am wondering if the Minister can expand on the decision that his department has made not to fund that agency, or not to provide it with a mandate in funding?

Mr. Gilleshammer: Yes, I recall the Member raising this last week in the House. As I indicated at that time, I had one meeting with executive members from MMF and their president, Yvon Dumont. We met with membership from the MMF again on Friday in Dauphin and, basically, informed them that we have so many demands on Government for increased funding. On a daily basis, we get requests to improve funding for groups that we currently fund

and to fund groups that we have never funded in the past.

I have not kept a record of the requests that have come forward or even the requests coming forward from the Honourable Member, but there are limits as to what Government can proceed with in terms of new initiatives. The Michif request is one that has been before Government for the last number of months. A decision has been made that we cannot proceed with that. There are many different aspects to it that have to be analyzed. One of the aspects, of course, is financial. There are tremendous financial implications of the creation of another stand-alone agency in one area of Manitoba and probably would be expanded to other areas of Manitoba as well.

* (1620)

There is also the issue of a duplication of service, that the service is presently being provided in those geographical areas. We have received a good deal of information provided by MMF staff, and I have indicated to them that I would make an attempt to go through that material and understand the information that they are providing for Government. At this point, we have informed MMF that we would not be proceeding with that initiative.

Ms. Barrett: I was hoping to get a little more detail, although this seems to be the response on all of the issues and the organizations that I and others have brought up.

(Mr. Deputy Chairman in the Chair)

It is my understanding then that there are no new initiatives or agencies that are being funded in this next fiscal year. Am I correct in that—this year of stabilization?

Mr. Gilleshammer: Basically that is correct that we have improved funding for those agencies which are already in existence, and we have indicated to this particular group that we are not going to proceed with the creation of a new agency.

Ms. Barrett: Have any of these agencies that are not going to receive funding in this fiscal year been told that they might be looked at in the next fiscal year? Have they had a sense that there might be some funding, not necessarily this particular one, but there are a number of agencies that—

Mr. Gilleshammer: I have been very careful to indicate to agencies that if the answer is no, I do not want to leave the impression with them that they

were sort of that close to being a reality, and come on back in a couple of months.

I think that is not a good way of doing business. One of the problems I think as I sit back and look at this department is that there are dozens and dozens of groups out there who have been sitting on the edge of their chair under the belief that funding was just around the corner, that adequate resources would become available.

As I meet with groups like the MMF, I have had to indicate that the answer is no. As we look ahead to the 1990s and the levelling off of revenues that the Government of Manitoba is able to access, I cannot see in the immediate future a lot of large new initiatives.

Having said that, there are others that I am sure are going to come back a second time and say to us, can you fund us this year? I see nothing wrong with that, but I do not think that we want to leave the impression that it is just a matter of asking a second time. Some of these initiatives have immense cost implications for the immediate period and tremendous cost implications for further down the road, as they would have the ability to expand and expand and become full-fledged agencies.

Rather than lead people to believe that the possibilities of them accessing funding is just around the corner, I think I am trying to be very realistic with them and tell them that we have tough decisions to make and that there are tough economic times ahead. We have to be able to make decisions on spending that spend money in the best possible way because we are going to be limited as to the amount of finances we have available.

Ms. Barrett: I am going to end this part of my questions with just a couple of responses to that. I appreciate the Minister being as frank as he has been in reporting back to me and also in what he has been saying to agencies. The Minister previous to him was not as frank and did in the Estimates last year, I know, on several occasions say that she had said to agencies, come back next year, we are looking at things next year. It has been two years and new initiatives have not been funded to any degree as far as I can see.

I appreciate the Minister being as frank as he is because it is very important for these agencies to know where they stand, even if where they stand is not where they want to stand.

I would suggest to him that the cost implications for some of these initiatives—the initiatives that I am particularly interested in are small initiatives, agencies like Prairie Places and others where the per diem costs for providing residential care for individuals are anywhere from \$30 to \$50 less than service provision to the Manitoba Developmental Centre, parent-child centres which are not a large cost item.

I am, of course, stating that would mean more resource allocations. There is no question that we on the Opposition benches have been making that as part of our comments all the way along. The initiatives that I am aware of are not large cost initiatives.

The other thing they are not is new initiatives. In many cases, these are initiatives, these are programs that have been funded by Core Area and other start-up seed money grants, and they have been going for three to five years. They have proven themselves. They have a track record. I would suggest that the validity and the value of the services that these organizations have provided have, in most cases that I am aware of—that is not the question.

The other thing is, as I stated last night and I go back to another analogy of the globe, the whole, and I see again in the response of the Minister that there is a great deal of concern about cost implications. That is a perfectly valid concern. There are cost implications to everything we do, and we are heading into a very—it is not an expansionary time that we are heading into.

I would suggest that the Minister and the Government, not only in this department but in other departments, is being very short-sighted in looking only, in the majority of cases, at the short-term cost implications.

Many of these programs do not require a great deal of infusion of new money. Their effectiveness in service provision over a very short long-term will more than pay for themselves in—again this is one of my favourite words—prevention programs. I believe that we as a Government and all Members of the Government on the Opposition side have to start taking a very long-range look at the fact that we are in a different kind of a society and a different kind of economic global community than we were 15 years ago. That does not necessarily mean only status quo or stabilizing or no additional funds. It

may mean in some cases putting some additional money in, but it also means taking a look at the entire service provision of this entire Government, this department being a major player in that regard.

I would suggest that a lot of these agencies that I have been bringing to the Minister's attention would address those long-term concerns in a very positive manner and would end up in a not very distant future being very cost-efficient and cost-effective.

* (1630)

I will end by saying again that I think this department and this Government is being far too narrow in its focus and needs to become a little more global and wholistic, if you will, in its approach to service provision. I think it requires a basic philosophical change which I see this division having important input into. I will leave it there and not ask any more questions in this division at this point.

Mr. Gilleshammer: I am pleased to hear you make those positive comments. I think it is in a way a ringing endorsement of the procedure we are going through with the Child and Family Services agencies, that we take a very comprehensive look at how they are doing business and see if we can spend those limited resources in a better way and in doing so provide a better service to the children and families of Manitoba.

You make a good point as well about pilot projects. The whole idea of pilot projects sounds so inviting, that here is a great new idea that somebody has and there is even funding for it from another source. How can you go wrong with putting in place a pilot project? Perhaps there is even seed money to get it started from some event or place that will not be in existence sometime down the road.

I think that we see time and time again these pilot projects which come back to Government and say, you have to fund us because our funding has dried up from the federal Government or from private sources. We have proven ourselves that we provide this good service, and it is incumbent upon you now to take over the cost. A Member might even say, it is only \$300,000.00. You can surely find \$300,000 in your big budget.

If you start adding these projects to the department, you have to subtract from somewhere else. We have to be very aware of the cost implications that take place when you take over these initiatives that were started by somebody else

or even consider initiatives that come to you. They may even tell you that we are going to save you money in the long run.

I think Government has to be open to looking at projects and information brought forward by different groups, but I think it is so vital to look at the long-term implications because you are absolutely right that we are not going to be accessing a lot of new money in the next few years. We have to consolidate and stabilize what we are doing to provide that basic service.

The minute you start funding other agencies and other projects, all you are doing is putting more pressure on the system and making it more difficult to access the money that is required to fund the basic program which is already in place. So I agree with much of what you say.

Ms. Barrett: Mr. Deputy Chair, I promise this will be the final comment. I am delighted that the Minister agrees with me about the need to look at long-term implications. My concern is that his definition of long-term implications is only looking at one element of it, and that is the financial cost. I am suggesting that even looking at the financial cost, there have been many, many studies in all areas of this Family Services Department that show that the long-term implications of decentralization, of community-living, small agencies such as group homes, of organizations providing assistance and work with children on the streets such as Pritchard Place Drop-In—I could go on with several other areas, parent-child centres, for one—provide, in the not-too-long term, cost benefits, and that is only one part of it.

I also would like to suggest that consolidation and stabilization, which are concepts that the Minister has repeatedly discussed in these Estimates, to my way of thinking, are coming across to me as very static. They are saying there is no sense of growth or change. I do not mean just growth in the sense of additional agencies, but there does not appear to me to be any kind of real sense of let us look creatively at all sides of this problem. An expanding caseload, an expanding demand for service, a narrowing of the revenue base—and there is, parenthetically, some discussion that Opposition Members have had with the Government about the fact that revenue base does not need to be as narrow as it is, but leave that aside for the moment—all of those elements need to be looked

at and to be creative to come up with ideas and programs that deal with all of these areas.

My comment is that I do not see the Government being creative in all of that in the entire context. I see the Government requiring the currently-funded agencies to be creative in their programming. We are saying on this side—both Opposition Parties are saying that the only way they are going to be creative in this context is by cutting services which nobody feels is creative.

I am just suggesting that you can do a lot of work using these external factors as challenges, and I just do not see that as happening in the way the Government is approaching this.

Mr. Gilleshammer: I can assure you that this is a challenge to attempt to match services with funding. We are trying to be creative in coming up with new solutions, and we are asking agencies to be creative as well in determining new ways that they can spend those limited resources. There are examples of how we can do that. You know you raise a number of these initiatives that you suggest that we fund.

One of the realities is that, if you start funding drop-in centres, there could be an unlimited demand for more and more drop-in centres. Certainly you can argue prevention. I can tell you in small communities across the Province of Manitoba young people are looking for places to gather, wholesome places to gather, and have always approached other levels of Government, municipal Government, service clubs, church organizations, which historically have come forward to provide space, funds and guidance for, whether it is 4-H groups, or Scouts, Cubs and Brownies, or whether it is other youth groups that are involved within the church.

I see a real danger that Government is going to be seen to move in on those areas which parents and volunteers have done in the past. If you start taking responsibility for all of these groups in society, the danger is that the churches, the schools, the service clubs and the parents are prepared to stand back and say, yes, let Government do it.

I think those are great organizations. We have heard Members yearly stand up and extol the virtues of 4-H organizations and the tremendous qualities that they instill in young people. I think we make it too easy sometimes if Government is simply going to take the place of these community groups and take over the role that the parents have played.

As an MLA, I am sure you will be invited to attend many of these organizations, as I have, to bring greetings as an MLA or from Government, to perhaps even enter into a discussion on the role of Government and observe some of the activities that take place in their meetings.

So I just caution the Member for being too ready to have Government take over the responsibilities that community groups, schools, churches and so forth have done in the past and done very well. You are going to perhaps find yourself in a situation where these people are going to say, well, that is the Government's responsibility and the Government's mandate, and they no longer have to do those things.

Ms. Barrett: I will take a note of the Minister's last comments. I will at another time be responding to them, because I feel that they are very important comments that he has made and really encapsulate a lot of what we have been talking about over the last two months. However, I am wondering if at this time it would be possible to take a five-minute break.

Mr. Deputy Chairman: What is the wish of the committee? Recess five minutes? Recess five minutes till a quarter to.

* (1640)

* * *

The committee recessed at 4:40 p.m.

After Recess

The committee resumed at 4:48 p.m.

Mr. Deputy Chairman: Order, please.

We are dealing with 4.(b)(1) Salaries \$1,958,800.00.

Mr. Alcock: I might have a few little questions on this portion of the Estimates, but I would like to start with a couple of reactions to the information that was tabled, this draft annual report, just so I clarify that before we go on. The first thing is just a note for the benefit of the department, a carry-forward of an error from the previous annual report. If they check the annual report for '88-89, they will notice that there was an erratum published for that report that changed the trauma and physical abuse statistics, yet in this draft, that number that was changed by the erratum was carried forward. They might just check that to see that is not compounded in this year's statistics.

* (1650)

One other comment, I realize that this report is not before us for consideration, but I do want to register my concern about the change in the table that used to be used to depict the nature of placement in care and the numbers of children in care. I notice that table has been done away with completely and replaced with a thing that focuses on days care, and I think this is a substantial change. I would like to know the reason for the change, and I would like to ask the Minister to ensure that the old table, which was Table 20 in the previous report, is continued in this and subsequent reports. I think that this change is a very significant change and will lead to considerable confusion as one tries to look at the progression in services over the years.

Mr. Gilleshammer: We will take the Member's statements into consideration. We are indicating the number of days as opposed to the number of children in care, because in all cases, children will be in care for different lengths of time. This more accurately reflects the number of days that institutions and agencies have children in care, but the concerns of the Member are duly noted.

Ms. Barrett: The Honourable Member for Osborne (Mr. Alcock) had an emergency call so I am going to ask a few questions in his absence.

I do not know if the Minister of Family Services (Mr. Gilleshammer) will be able to answer this question because it comes from the Department of Health, but I did get a news release today about satanic cults, the focus of provincial in-service. I had a couple of questions to ask about this in-service, which, I understand, is this weekend.

Can the Minister tell me which professionals who provide youth services in the Department of Family Services will attend the in-service? There are several departments that are attending, but I am particularly interested in Family Services.

Mr. Gilleshammer: Yes, I understand that we have had 75 places allocated for the Child and Family Services agencies and our own staff. They have been allocated throughout the system so that there will be, I think, a good representation from both the agencies and from our department.

Ms. Barrett: Just a couple of more questions. Is there a fee being charged for this, and if so, will the Child and Family Service agencies be required to pick that fee up for their people who will be attending this in-service?

Mr. Gilleshammer: I am told there is no fee to the participants, that the cost of the program is being covered by the four departments that are involved in the sponsorship.

Ms. Barrett: Do you have any idea how much that cost will be for the Department of Family Services?

Mr. Gilleshammer: Yes, I am told the cost is \$4,000 for each of the four departments that are involved in the sponsorship.

Ms. Barrett: I may have some further questions, but I will turn the questioning over to the Member for Osborne.

Mr. Alcock: Mr. Deputy Chairperson, I appreciate the Member for Wellington (Ms. Barrett) filling in while I had to leave for a moment, but I understood the Minister to be saying as I left that they would take the comments I made under consideration. I understand from this note that the Minister said that they are currently planning to indicate or they have a table indicating the number of days as opposed to the number of children because this more accurately reflects the number of days. That seems to make some sense, but the Minister surely can do both. If you wish to add a new table that gives a different analysis or provides additional information, that is fine, but there should be no reason why you cannot produce what was formerly known as Table 20 also.

Mr. Gilleshammer: Yes, we would be prepared to provide that information.

Mr. Alcock: I appreciate that and I thank the Minister for that.

I would like just to start now on this division with some more detailed questioning following up on some of the remarks the Member for Wellington made, and picking up on some of the discussion we had last night. First is to look a little bit at this question of what we as a Government expect these agencies to do. Now the Minister referenced standards. He pulled out a big, thick book and talked about it, but we did not talk about what these standards were indeed. Can we talk a little bit about what a standard is when we talk about child protection? When we look at the role of a child protection worker, what is the standard to which these workers are held accountable?

Mr. Gilleshammer: There seems to be a great deal of detail here for workers in the field to do with intake procedures, the reporting of neglect or abuse or child protection and so on and so forth. I am not sure

how much detail the Member wants. In fact, maybe he has a copy of this manual. I am not sure.

Mr. Alcock: Well, I in fact do not have a copy of the current manual, but I would like the Minister to pick out a section on abuse cases. He can either table it for me, or he can just look over it himself and read the highlights of it.

Mr. Gilleshammer: Yes, I could indicate some information on child abuse. The area of child abuse as a major component of Child Protection services has been especially noted in Sections 1, 17(c), 19, 20, 47(1) of the Act, and in Regulation 6086, as amended.

* (1700)

It talks about Standards 330.1 Child Abuse Co-ordinator. The agency has one person of at least supervisory responsibility who is designated as the co-ordinator of child abuse services.

330.2 Backup to Child Abuse Co-ordinator. The agency has provision for appropriate backup to the child abuse co-ordinator.

330.3 Manitoba Child Abuse Guidelines. The agency follows the Manitoba guidelines on identifying and reporting child abuse and that you can see section Appendix 330(a).

330.4 High-Risk Cases. All high-risk cases whether abuse has occurred or not are treated with the same seriousness as abuse cases.

330.5 Training for Workers and Supervisors. The agency ensures that workers and supervisors receive basic training in the area of child abuse, especially in the areas of identification, detection and legal responsibilities.

330.6 No Special Circumstances or Status. In no instance of suspected child abuse is there a variation from the normal investigative process due to special circumstances or the status of the alleged abuser.

330.7 Mandatory Worker. At no time is an open child abuse case without an assigned worker.

330.8 Public Awareness and Community Education. The agency in concert with Government and the community has an active program of public awareness and community education geared to the problem of child abuse, and specifically toward the prevention of abuse.

330.9 Administrative Leadership. The agency provides administrative leadership in negotiating working relationships and functional linkages with

other community services, preferably written interagency agreements.

(Mrs. Linda McIntosh, Acting Chairman, in the Chair)

330.10 Emergency Placement. Child abuse victims requiring emergency placement are placed in resources which are knowledgeable, skilled and experienced in dealing with child abuse and with child abuse victims.

Then there are Manitoba guidelines on identifying and reporting child abuse, and they go into some more detail.

Mr. Alcock: I wonder if the Minister could describe the process that occurs, or that arises, from the moment an agency is informed of a potential case of child abuse?

Mr. Gilleshammer: Section 311 deals with standards. It covers intake procedures, report of neglect or abuse, child protection is paramount, immediacy of services, feedback to referral source, residence outside agency's area. It goes into some detail in Section 311.

Mr. Alcock: Can the Minister provide some of that detail?

Mr. Gilleshammer: Well, I can read this into the record for the Honourable Member.

Section 311.1 dealing with intake procedures. An agency has written operational procedures which provide workers with a framework for conducting a child protection investigation.

311.2 Report of Neglect or Abuse. The agency accepts every report of neglect or abuse and ascertains if the situation appears serious enough to warrant investigation.

311.3 Child Protection is Paramount. Any doubts regarding the credibility of a referral, including anonymous referrals, are resolved in favour of ensuring the safety and protection of the child.

311.4 Immediacy of Services. All referrals are responded to by the end of the following working day. The child is considered to be at risk or if there is insufficient information to determine if the child is at risk the response is immediate. In remote areas where distance or climate makes it impossible to see the child within the same period the agency arranges for responsible local resources on an emergency basis for the purpose of assuring the immediate safety of the child.

311.5 Feedback to Referral Source. Persons who report or refer situations where a child may be in need of protection are advised of the outcome of an agency investigation in accordance with Subsection 19(4) of the Act.

311.6 deals with residence outside agency's area. If the family resides outside of the agency's area the intake worker immediately undertakes an active referral to the agency of appropriate jurisdiction. The referral source is advised of these actions. The date, time and staff person to whom the referral was forwarded should be documented.

Mr. Alcock: In terms of the child protection workers, are there any standards in those—or any indications in the standards of appropriate worker caseloads?

Mr. Gilleshammer: I am sorry. Could you just clarify that?

Mr. Alcock: Any indication in the standards of appropriate size of caseloads for protection workers or workers involved with child abuse cases?

Mr. Gilleshammer: There is nothing incorporated in those standards which would indicate that.

Mr. Alcock: Does the department have a policy that would indicate what an appropriately sized caseload would be?

Mr. Gilleshammer: There is no policy in that area.

Mr. Alcock: Is the Minister aware of the Child Welfare League of America standards for child protection cases?

Mr. Gilleshammer: The department has that information.

Mr. Alcock: Could the Minister share it with us, please?

Mr. Gilleshammer: As the Member is no doubt aware we do not have that information with us. We will seek that information for him.

Mr. Alcock: Why has the department not established a caseload size for serious abuse cases for example when the standard-setting bodies that do exist have done so?

Mr. Gilleshammer: We have no figure that deals with staffing workload. I dare say that many agencies and organizations that work with human services simply have to provide the service and get the job done in the best way they possibly can.

Mr. Alcock: That may indeed be the case in a number of jurisdictions, but the Minister has read a rather detailed standard. In fact, he read a six-point

table of contents for a standard that describes how workers should act when they receive a report of child abuse, in some considerable detail. That, surely when one looks at the number of hours available to work in a week, does translate into some acceptable caseload size. Certainly those standard setting bodies that do exist—there is not currently a Canadian equivalent, but the Child Welfare League of America which is referenced by an awful lot of provinces in Canada, and the American Humane Association for those that are not—have provided standards of caseload size in child protection and child abuse. Now, the Minister and his department must operate with some indication of what is an appropriate caseload.

Mr. Gilleshammer: If the Member is indicating that our front line workers have heavy workloads, I am aware of that. I think that the work that those people who are on the front lines, on the street, visiting the homes of children are performing a very, very critical function. I have indicated before that we have a lot of respect for the people who are working at this grass-roots level. I had the opportunity to meet with them in some of the agencies, and indeed they perform a valuable service.

* (1710)

As I indicated yesterday, I believe it was, in comments that I made, if you ask many of the workers with the city police force, they would like to have additional staff to do the work that they have to do. I can tell you from my experience in education that many teachers in the staff room are concerned, and maybe even some of them complain about the workload that they are faced with and would like to proceed with a better student-teacher ratio. I have friends who are nurses in hospitals across this province, and certainly they are concerned about the level of staffing.

I think in many cases where we have people or workers who are working in services to people that their perception is not only that they provide valuable work and a valuable service, but that there is a strain on the system whereby they would like to have additional staff to do the work in an extremely thorough manner, and very valuable work. I recognize what the Member is saying, and I know that these workers provide a very valuable service for us.

Mr. Alcock: The Minister does reference the education system which of course does have a

mechanism whereby they relate the amount of support that a school division gives to the number of children. They calculate that workload, if you like, based on student count each year. Funding to school divisions is adjusted as a result of that. The Minister seems to wish to respond.

Mr. Gilleshammer: Yes, I would say to the Member that the teacher-pupil ratio can vary dramatically from some instances where the ratio is one teacher to a small number of students to other cases where one teacher may be in charge of 50 or 60 students. So while there are certainly some ratios that determine some of the things in education, there is no hard and fast standard about how many students make up the ideal workload or how many make up even an acceptable workload. That varies from one circumstance to another.

Mr. Alcock: Yes, and I suspect you would find that it was the same in these services where a worker who has a caseload of, say, single-parent moms, who are being provided support, would have a different number of cases than a worker who is dealing with active child abuse cases on intake, but standards do exist for that.

I guess I would like to work that one through a little bit, because the Minister has indicated that the department is holding agencies accountable for a certain standard of activity relative to investigation and reporting, and one of their standards 311.3 whereas any doubts are resolved in favour of protection of—in favour of acting rather than dismissing a report.

We are talking now in the management of child abuse cases. Would 50 cases per worker be too high?

Mr. Gilleshammer: Well, if you are asking me to speculate, I am simply not going to enter into that. We have agencies that make management decisions. We have workers within this department that work with those agencies. I think that the information they have is the best information that they make their decisions on, but I am not going to get into the game of speculating what the ideal situation is and what the maximum number is or the minimum number.

Mr. Alcock: Well, except this is not speculation. The department has written a very complete standard that says how a person should act when they receive a report of child abuse. Now that action which is demanded by the department and the

director holding the agencies accountable, as the Minister read out of the Child and Family Services Act, that does lay out, in detail, actions that agencies should take. Actions take time, so presumably the department has some measure of how much time it takes to successfully meet the standards as laid out by the information that the Minister read on the record a few minutes ago.

Mr. Gilleshammer: I strongly suspect that the cases that come before agencies and before workers may vary in the amount of time that they are going to take. The Member is looking for some precise numbers in other areas of the department where department staff, again, carry out a mandate. There are not precise numbers available which indicate the number of cases, for instance, that a social allowance worker should process or work with. You know, I say to the Member, I hear what he is saying and I understand where he is coming from; but if you are looking for precise numbers that do not exist, I suspect that you know by now that you are not going to find the answer.

Mr. Alcock: The numbers do exist. The Minister may not be aware of them, or may be aware of them and not wish to come forward with them, but the numbers do in fact exist and have been the subject of lengthy discussions between the department and the agencies.

* (1720)

When I asked this question when we had the previous division in front of us, I was given a number in the order of 50 to 60 cases per worker. That was put on the record quite comfortably by an earlier division, and yet this division seems to be unwilling, despite the fact that it has written a very detailed standard, and despite the fact that the Minister has spoken at length about the writing of a contract based on a description of the services that these agencies are expected to carry out that will be used as the basis for funding. We are just trying to get a sense of what this funding decision will be based on.

Mr. Gilleshammer: Staffing complement of the agencies reflects the amount of traffic that they have encountered in past years, and I am telling the Member that if he is looking for a massive change in the numbers of staff that are provided for agencies, there are tremendous dollar costs to that.

We, as we have said many times, have increased funding dramatically to the agencies, and the Member is saying that we have not done enough,

that we should have had greater increases. We talked earlier this afternoon about the amount of funds that Government has available and its ability to respond to these issues. We think over the last three years Government has responded very well to the Department of Family Services and has given increases of 9 percent, 9 percent and 8.2 percent. Over and above that we have added 15 percent to Child and Family Services this year, whereas last year we spent in the neighbourhood of \$41.7 million. This year the figure is going to be close to \$48 million, and what we are looking for in the service and funding agreement is how we are spending those tax dollars and how we can best provide the service to the public. There have been substantial increases, and I think the Member is aware of that and continues to say it is not enough.

Mr. Alcock: Far be it from me to say anything of the sort, Madam Acting Chairperson, I am simply trying to understand this very complicated system that the Minister has created. The Minister has said that we are going to have service and funding agreements in place with these agencies by the 1st of April, so presumably beginning in the next year.

He has tabled a document that shows us one of these service and funding agreements. It shows in some detail, in this particular case, a calculation of how many hours a staff person can work. There is quite a detailed depiction of the number of hours exactly an individual works and that is related to the provision of funds. That is rolled up into a total number of hours of services that are to be provided by this particular organization, and that constitutes the amount of support the Government will provide. That is all I am trying to come to.

Now presumably that is related to an expectation of the kind of service that is being purchased by Government from this particular organization. So you ask, what services are being purchased from Child and Family Service agencies? One of them is child protection.

The Minister read a very lengthy standard into the record that talks about what agency workers are expected to do in response to child protection cases. All I am asking is: How does that then get rolled up and translated into a dollar amount?

Mr. Gilleshammer: Yes, indeed we did table a service and funding agreement with you. I think what the Member is looking for is more service and funding agreements which in effect have not been

negotiated yet. Once those are negotiated, put in place and given the permission of the agency, we would be prepared to table them in committee next year and give you an opportunity to study those.

I do think we are on the right track and I think the Member is on the record of saying that the service and funding agreements are the way to go. We simply have no service and funding agreements completed yet, so we cannot share that detail with the Member.

Mr. Alcock: Surely it is not a detail, Madam Acting Chairperson, to ask the Minister if they intend to fund agencies to support the standard that they themselves have written. You have read into the record a detailed standard and the question is: On your service and funding agreements, are they going to be structured in a way that allows agencies to meet the standards that your department has written? Very simple.

Mr. Gilleshammer: We are going to structure those service and funding agreements to reflect the funding we are prepared to provide for the agency and indicate there the service the agency is going to indeed deliver. Those service and funding agreements are the subject of negotiations between this department and the agencies. When we, as I have indicated, have them completed we can share the information with the Member, subject to the approval of the agencies, and give the Member a better understanding of the agreements that have been reached.

Mr. Alcock: I think the Minister has just given me the understanding that one should take from this. He just said that they are negotiating agreements that will demonstrate the funding that they are prepared to provide and, therefore, the services that agencies will have to deliver. So following up on that then, the standards that you just read into the record are meaningless.

Mr. Gilleshammer: On the contrary, I believe those standards are very, very important so the service that is required can be identified. I suspect the Member did not really mean that because I think he knows the importance of those standards so that the workers and the agencies can provide the service that is expected of them.

Mr. Alcock: If the standards have meaning, then surely you are funding agencies in a way that allows them to meet the standards, not that it simply represents the level of funding that you are providing

agencies today, that you are looking at what the standards require from agencies, and that you are moving upward from that to some determination of what that translates into in staff years, the way you did in the Children's Home agreement, and out of that will come a total agency budget.

Mr. Gilleshammer: The service and funding agreements will certainly encompass the budget that the agencies will be able to access.

Mr. Alcock: Will they have at their foundation the standards of service established by this department?

Mr. Gilleshammer: If you are asking whether the—in fact, had suggested that the standards are meaningless, I would say, no, they are not meaningless. I think they are very, very important.

Mr. Alcock: Can we infer from that the service and funding agreements that will be signed by April 1 will have as their starting point, the standards of service that agencies will be held accountable to?

Mr. Gilleshammer: The standards are put in place now in the Program Standards Manual, and we expect Child and Family Services to abide by those standards.

Mr. Alcock: Is that a yes?

Mr. Gilleshammer: Madam Acting Chairman, I think the Member understands what I am saying. It is that we expect the agencies to work towards and work by those program standards. We also expect to have those service and funding agreements signed, and they will be based on the perception of the job that these agencies are going to perform.

* (1730)

Mr. Alcock: The Minister has stated that the service and funding agreements will be based on the perception of the job, and presumably the perception of the job is based upon some sort of structure that is given the job by the standards provided by the department. Therefore, what might happen is that in one agency, in your building up these service and funding agreements, you may find that their existing budget is too large, that they do not need that much money in order to meet the level of work based on the standards that they are held accountable to and have to provide. In another agency, with exactly the same process, they may be found to be underfunded, and will need a substantial increase in order to meet the standards of service.

The question is really a simply one: Is it the standards that determine the outcome in terms of the budget, or is it the existing level of funding?

Mr. Gilleshammer: The existing level of funding should reflect the workload and the obligations that those agencies have. We are asking agencies to examine what it is they do to set priorities, and to look at all aspects of the agency. I think the Member provided some information last week, whereby employees are questioning whether management decisions are appropriate. I would prefer not to get involved on one side of that argument or the other, but part of the exercise we are going through is for this self-examination by agencies, and working with department staff to finalize service and funding agreements.

Mr. Alcock: Madam Acting Chairperson, the Minister started off his comments by saying that the funding should reflect workload. The department has been involved in some workload studies. Has the department accepted, by policy, a workload measure yet?

Mr. Gilleshammer: The answer is no, that there is not a final acceptance of guidelines in this area.

Mr. Alcock: It is my understanding, Madam Acting Chairperson, that there is a committee currently that has been struck to review agency budget submissions, and that committee is comprised of the Director of Agency Relations, the Acting Assistant Deputy Minister of Child and Family Services, the Associate Deputy Minister of whatever, and a fourth person. Does such a committee exist, and if so, who is the fourth person?

Mr. Gilleshammer: Yes, a committee exists, and I am sorry I did not fully hear the names that he was coming forth. Perhaps, if he could just repeat that, I could get that information for him.

Mr. Alcock: My understanding is that it is a four-person committee, the Director of Agency Relations, the Associate Deputy Minister of this department, the Acting Assistant Deputy Minister for Child and Family Services, and a fourth person.

Mr. Gilleshammer: Yes, the fourth person that the Member inquired about is Mr. John Clarkson.

Mr. Alcock: Can the Minister tell us a little bit about Mr. Clarkson, what his background is, and whom he works for?

Mr. Gilleshammer: Yes, he is the Manager of Social Programs with Treasury Board.

Mr. Alcock: What is the role of this committee?

(Mr. Deputy Chairman in the Chair)

Mr. Gilleshammer: This is the group that is working with the agencies and reviewing their budgets and is part of the process to finalize the budgets for these agreements, and allows us to release the deficit funds that have been put into the budget.

Mr. Alcock: So it takes the decision by Treasury Board or a Treasury Board rep to make this decision? This decision is being made independent of the department?

Mr. Gilleshammer: In order to release the funds that we have budgeted, the \$2 million for deficit relief, we have to take that information to Treasury Board; and, to facilitate that, we have a member from the Treasury Board staff sitting on this committee which is set up to review agency budgets and to work on the detail of those budgets and work towards finalizing them.

Mr. Alcock: What are the criteria that this committee uses in making those determinations?

Mr. Gilleshammer: They are looking at all aspects of the budgets that are being brought forward with the intent of working with the agencies to provide a balanced budget. They are ensuring that both the services that will be provided by agencies and the appropriate funding will be put in place for them.

Mr. Alcock: I am a little unclear then. Is this just sort of a group process, they kind of think their way through it, or if an agency comes in with a zero-based budget, does it automatically get approval?

Mr. Gilleshammer: In effect, they are looking at all aspects of the agencies' budgets, including the funding formula and the service workload, and working with the department and with the agencies to come up with a balanced budget.

* (1740)

Mr. Alcock: So then they are looking at what the services agencies are expected to supply and the workload. What measure are they using when they are making those determinations, when they are doing those examinations?

Mr. Gilleshammer: The group, in working with the agencies, is looking at the current services that they provide and also at the options that they are prioritizing, and working with them to work their way through into a service and funding agreement, somewhat bearing some similarity to the agreement

that we have tabled for the Member. This is currently in the development stage.

Mr. Alcock: There is one difference here now. This agreement that you tabled does indicate volumes of service that will be provided. In Residential Placements, Children's Home will provide 6,570 days. In Resources for Women program, 30 placements, a maximum of 10,950 days, and so on. There is a very specific limit to the kind and amounts of service, and that limit is reflected in some very detailed calculations in the number of staff and the number of hours they must work and all of those kinds of things.

It is a rational process. That is all I am trying to get to here, is to find out what that rational process is for this service. It is still very unclear to me, and I would like to—let me give the Minister a chance to respond to that. Can you respond to how the same calculations—you just referenced this report. You just said that this agreement is the model on which you are trying to do that. How are you making those calculations?

Mr. Gilleshammer: I referenced that agreement as one that we have tabled for you to give you some understanding of a service and funding agreement. We will be able to discuss this better when we have the agreements with agencies in place. The Member would be given permission of the agencies allowed to see that. If he cannot access it in another way we would table it.

We are saying that these agreements are based on the current realities, and those realities of course are different from one agency to another. As I travel across the province and talk to people who work in the agencies, they have a different client base. They have different geographical areas. They have different populations.

One of the starting points for these agreements is the current services that are provided. The agencies are coming forward with priorities that they see within their agencies that would allow for a balanced budget. This group is actively working with them. If the Member is patient I am sure—as he indicated one other day—these agreements will come forward in due course, and we will be able to have an opportunity to analyze them.

Mr. Alcock: The problem is that the Minister keeps referencing two different things when he talks about how he is establishing the funding. One moment he

references standards of service. The next moment he references existing funding.

I have a study here dated March 15, 1990, so it is relatively recent, that suggests that in the first five years of the operation of these agencies, while the children in care increased 102 percent, the Government-funded staff positions increased only 37 percent. They did not keep pace at all with the rate of growth in the agencies. The workload study that is currently under way suggests much the same thing, that these agencies are not brought to an adequate base right now. To date, the Minister has been unable to produce a single piece of evidence that suggests that those studies are not true.

You are about to go in and sign an agreement that is founded on very shaky, very dangerous ground and does not allow those agencies to meet the very standards of service that you wish to hold them accountable to.

Yet at the same time, despite the fact that you will not come forward with any description of how an agency is to go about meeting those standards, you are today actively making decisions; for example, in Central that they cannot fill the staff position in child protection, that they have to live within their existing budgets when it has been demonstrated over and over again that their existing budgets are inadequate.

Today, thanks to the information we tabled, we know that child abuse cases are up a further 20 percent, family cases are up a further 10 percent, and the children in care are up 6 percent.

How do we deal with these things when the only standard that you are willing to admit to, the only criteria that you will adhere to is the amount of money they are currently being funded? What relationship does that have to do with the increasing numbers of kids that need service in this province?

Mr. Gilleshammer: The Member keeps intimating that we are going to throw the standards away. I have indicated that I think those standards are very important. I think in his heart the Member believes they are very important too and that we have those guidelines in written form to look at the type of service we are going to provide.

What the Member is calling on us to do is spend millions more dollars in this area when we have already increased this budget quite dramatically. What we have been saying is that I think the people of Manitoba and certainly we, as Government, want

those agencies to examine if there is a better way to spend that money.

That is the process that is going on. On the one hand I think the Member agrees with that, but on the other hand he is saying, no, you should just put a massive infusion of millions of new dollars in there. I would say to the Member you have to give this process time to evolve so that we can have these service and funding agreements in place.

Mr. Alcock: The Minister is correct to a certain extent. I certainly believe these agencies are underfunded. They do not have the resources to meet the demands that exist in the community. What the Minister is about to do is create a situation that will just cause massive confusion in the system, because on the one hand you have a set of standards and on the other hand you have a funding policy.

Those two things do not relate to each other, and until they do, all you are going to do is create a dysfunctional system that will frustrate everybody, the people who are receiving services, the people who are relying on the system, the staff who work in it and the department he is trying to hold accountable, because you have created a dysfunctional system.

We have belaboured this one. The Minister seems to be unwilling to—despite the fact that there is considerable discussion on those standards and an indication that they are important, the Minister refuses to do anything to demonstrate that he is prepared to support those standards.

I am prepared to move on to yet another area of questioning on this item.

Mr. Deputy Chairman: Item 4.(b)(1) Salaries \$1 million—the Honourable Member for Osborne.

Mr. Alcock: I have another area of questioning on this particular item. My pause was simply because I thought the Minister was about to respond, but if he is not, I can perhaps put the next question forward. Would the Minister like to respond?

Mr. Gilleshammer: I am prepared to respond. I was, in a sense of co-operation, going to—an understanding it was that you wanted to pass some of these lines, and I was going to give you the opportunity to do that.

* (1750)

We in the department are very concerned about putting these agreements in place. The Member has

indicated that he feels these agreements are the right and proper direction to go. It appears that where we differ is on the numbers of millions of dollars that we put into the system.

What we are asking the system to do is to analyze how they are spending that money, and I think the Member brought forward information which showed that other people are also questioning how this money is being spent within the system.

I think again that if you give the department and the agencies an opportunity to work together on these service and funding agreements over the next few weeks and months, we will be able to have these put in place.

I am not of the mind that the Member is that chaos is going to result from these service and funding agreements, because we are not adding 20 percent and 30 percent more dollars to the system. We have reacted very positively in adding the dollars to the system that we have. We are asking the system to analyze how that money is being spent, and this is the process that is currently under way.

Mr. Alcock: I think you are embarked upon a completely fallacious exercise that is going to do nothing but add to the burden that the system already carries, unless you base these agreements on the standards that you are holding people accountable to. I do not hear you saying that. I hear you over and over again referring to the dollars that are going to drive this as opposed to the requirements that you are placing upon this system. I think your process, while it could have a very positive outcome if it is properly constructed, will not achieve the results that the Minister is holding forward for.

Let me talk about funding for a minute, because we are going to now go into that area that is going to finally get us down to the discussion that we have had from the day that we came into this House and that is the level of support for these agencies. The Minister continues to put forward erroneous information about the size of support. Yet the facts do not bear him out. We will spend the next, I suspect, Thursday afternoon sorting it out.

Let us start with the funding that is provided these agencies. Prevention funding was an article that was a part of these budgets in the past. How much money is currently provided to these agencies, so that they can undertake prevention programs?

Mr. Gilleshammer: Each of the agencies has funding for one staff worker, one outreach worker to work with the community, and two of the larger agencies, in fact, have two workers that work in this area.

Mr. Alcock: There are, I guess, nine private non-Native agencies, non-Government agencies. Jewish Child and Family, I am presuming, is not included in that statement that the Minister's remarks that there are then 10 outreach workers funded under this appropriation, one for each of the eight agencies and two for what I would presume would be Central and Northwest?

Mr. Gilleshammer: That is correct.

Mr. Alcock: Can the Minister tell us the size of the prevention grants in western Manitoba, the Brandon agency, and in central Manitoba?

Mr. Gilleshammer: There is no prevention grant. What they access is one staff officer per agency.

Mr. Alcock: Are there no program funds made available for these agencies to operate programs in their community?

Mr. Gilleshammer: There are no activity grants provided by the department, but I am told that they sometimes access funds from other sources for this.

Mr. Alcock: There were, at one time though, funds provided for activity grants. What has become of them?

Mr. Gilleshammer: Those grants were changed and translated into these positions for outreach workers.

Mr. Alcock: The Minister spoke at some length earlier about the value of prevention, or his belief in it, that prevention, the mobilization of the community and the involvement of—he spoke specifically of churches and schools. I think that the analysis that has been done suggests that a church, school, neighbourhood community centre and other associations are the—in the paradigm that is used. How does he expect the agencies to work with these groups?

Mr. Gilleshammer: The outreach workers can access a line in the budget called the Family Support Fund to work with families in their own homes. Further to what the Member said before, he is correct that I think, within communities and neighbourhoods, there are other people that—and I know that workers interact with groups like the home

and school association, like church associations, to provide services that are of a preventative nature.

Mr. Alcock: The Minister referenced family support funding which, unless there has been a change in policy, was always to be used to provide supports directly to children in their own homes as an alternative to bringing those children into care. Is that now changed?

Mr. Gilleshammer: That perception is correct. It is for working with children in their own homes and preventing them from having to come into care and, as such, is a preventative measure that community outreach workers can access.

Mr. Alcock: I will give the Minister an opportunity to check with the staff to ensure that what he said was correct. Is he saying that the 10 community outreach workers are the workers who determine how that family support money is accessed and spent?

Mr. Gilleshammer: I am sorry. This fund is accessed by other workers and is part of what we would see as some preventative work.

Mr. Alcock: What then is the role of these 10 outreach workers?

Mr. Gilleshammer: Yes, the outreach worker does work with the community in terms of community education. I can relate to the Member my trip to the NEW FACESS Child and Family Service organization where a good part of their concern was accessing community money to, in turn, have the worker involved with the community, and they have been quite successful in accessing those funds. I recall meeting with staff and board members there, and they are very, very proud of that outreach that they do out of NEW FACESS.

Mr. Alcock: Rightly so. They do a marvellous job, and can actually demonstrate a reduction in the intake levels and therefore child maintenance expenditures as a result of that activity, activity which is now placed at risk and one of the things that they will have to give up to meet your zero-based budget. So the Minister might check back with that agency on that particular policy, because that is a result of a discussion I had with them this morning that, in order to meet the test of this committee of four, that outreach work is going to come to an end, because they simply are not supported in order to deliver. That is the dilemma that you are creating.

Now we are going to start on Thursday, and just to alert the Minister, we can spend a considerable amount of time getting down to exactly what the

increases are. I think it is obvious what the operating increases are that these agencies have. It is roughly 3 percent over budget plus some adjustments. The highest that I can calculate is 7.2, or the Minister can stick to his often-repeated statement that there is a 15 percent increase. We will take the time necessary to sort out the reality from the verbiage. Perhaps, if we can start with the reality, we can save some time and move on to more substantive items.

Mr. Gilleshammer: I can assure the Member that we will talk about reality.

Mr. Deputy Chairman: The hour now being 6 p.m., committee rise.

* (1430)

SUPPLY—AGRICULTURE

Madam Chairman (Louise Dacquay): Order, please. Would the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Agriculture. We are at item 5, page 17, Regional Agricultural Services Division \$11,309,400 (a) Northwest Region—

Hon. Glen Findlay (Minister of Agriculture): Madam Chairperson, I would first like to introduce Mr. Dave Donaghy, the Regional Director in Eastern Region, with us this afternoon.

The Member's question with regard to staff SY changes, in this whole section I assume, it is at 189.39 staff years. There have been five SYs added, five soil conservation specialists, one for each region. He asked for the location, and the locations are—and these are new positions—in Roblin, Shoal Lake, Morden in Central Region, Steinbach in Eastern Region, and Selkirk in the Interlake Region. The Roblin is, of course, in the Northwest and Shoal Lake is in the Southwest.

Mr. John Plohman (Dauphin): Yes, the notes indicate that there was an internal reprioritization from the department for the soil conservation program. I understand these SYs were given up by some other section of the department. That is what that note would indicate. That is what I asked the Minister, where they came from. I do not believe that the personnel are the same. In other words, the people are not moving to those locations. They are going to be filled with new persons, but the SY—the allocation is not a new position. It came from somewhere within the department, I understand

from what the note indicates. Where did they come from?

Mr. Findlay: The five positions are all filled at this point in time. They were all advertised and filled. The positions came, one from Soil Survey, two from Milk Recording, one from Policy and one from Farm Lands Ownership.

Mr. Plohman: What was the last one?

Mr. Findlay: Farm Lands Ownership.

Mr. Plohman: What section does the Soil Survey come under? The Minister could indicate whether he wants to respond to questions on that now or whether that is more appropriate later on. I understand there were a number cut from that program.

Mr. Findlay: That was under Soils and Crops, the one we passed last night.

Mr. Plohman: Okay. That was in the last division, yes. No, we will have an opportunity to deal with that under other sections, in any event, under the Soil Conservation Agreement perhaps. So at that time I will ask the Minister about the questions, because we did go till midnight last night and wanted to see some progress; otherwise we could have held that up. Through the benevolence of the critic, we passed it all.

Now, I would like to ask the Minister whether these positions are going to be operating in conjunction with any other branches of the Government, for example the position in Roblin. Is he operating in isolation there, or is he operating within an office that existed prior?

Mr. Findlay: A new position is allocated in the same area as the ag rep so they are in conjunction with the ag rep offices.

Mr. Plohman: Madam Chair, could the Minister indicate whether there is also a Central Secretariat for the Soil Conservation Agreement. These are additional staff, or do these comprise the total staff allocated to the management of that agreement?

Mr. Findlay: The central operating group is within the Soils and Crops Branch with Jim Tokarchuk as the chief.

An Honourable Member: Pardon.

Mr. Findlay: With Jim Tokarchuk as the chief of the Soils section.

Mr. Plohman: Madam Chair, could the Minister indicate how many staff are allocated to the Soil

Conservation Agreement? Are they solely allocated, or is that just part of their job amongst other responsibilities within that branch?

* (1440)

Mr. Findlay: Yes, the five staff we have identified are the key people in terms of delivery. The central office staff, that is only a portion of their job. Certainly ag reps are a part of the overall team. In each of the regions the associations that are struck—there are some 42 of them in the province—they have the authority to hire technicians or whatever staff they need to deliver the program as they see fit. Beyond the staff of the department, there are those hired by the local associations for the delivery of the conservation agreement.

Mr. Plohman: Could the Minister indicate how much money has been flowed into the Soil Conservation Agreement in the northwest region. Will the money be allocated by region approximately equally, or will it be a response to proposals?

Mr. Findlay: We do not have the exact breakdown of dollars between regions but the basic allocation to each region was done on the basis of the amount of erodible soils in the region. We can get you the actual dollars as they were divided between the regions, but the decisions as to how much each association got was depending on the proposals as they came in from those different associations within each region.

Mr. Plohman: Madam Chairperson, I will leave this till we get to the section dealing with the Soil Conservation Agreement and ask some more questions at that time on the work plans that are called for in the agreement insofar as what has been planned for this year and the expenditures on it.

Madam Chairman: Item 5.(a) Northwest Region: (1) Salaries \$1,385,100.00.

Mr. Plohman: I wanted to ask the Minister whether he has any active plans or a program for transferring of staff within regions in this section. Is there any policy that the Minister has in place with regard to transferring of staff and rotating of staff?

Mr. Findlay: Right at this point in time there are not any specific plans of staff reallocations for existing staff. When a position comes open there may be a need to reallocate that position in terms of when it is advertised or there may be reprioritization or job description changes that occur that would require that job be delivered in a different location, but they are on a case by case basis. There is no specific

plan or policy of staff transfers for the sake of transferring.

Mr. Plohman: For example, Madam Chair, the Northwest Region has 34.26 staff, how many of those are located in Dauphin at this time as opposed to last year?

Mr. Findlay: We do not have a breakdown of the 34 positions in the region as to how many are in Dauphin. There have been no changes that we can think of with regard to staff moving in or out of Dauphin.

Mr. Plohman: To put it another way, Madam Chair, to the Minister, is there any direction from the Decentralization Secretariat that positions in this area of the Minister's department or any other area are upon vacancy to be forwarded for possible relocation to satisfy some decentralization policies as opposed to the policies of the department?

Mr. Findlay: I assume the Member is talking about decentralization out of Dauphin to smaller centres. Is that what he is referring to?

Mr. Plohman: Or from other centres to other rural centres as opposed to from Winnipeg.

Mr. Findlay: No, but I will just say, when a job is open there may be an opportunity to move it somewhere else because that is the more appropriate place to locate it. The five soil conservation specialists, rather than locate them in the large centre in each region, we purposely located them in smaller centres in the regions. Those were new positions and they were located in those centres. With regard to decentralizing existing positions in existing rural centres, the answer is no.

Mr. Plohman: Just to clarify, I know that there were some moves within other departments to other communities in the area; for example, in Energy and Mines from Dauphin to Russell, in the case of a Highways employee, radio services from Dauphin to The Pas, and so on. It was announced as if it was part of the decentralization policy.

That is why I ask the Minister whether there has been central direction that there has to be redistribution of staff as part of the decentralization policy coming under the direction of the Minister of Northern Affairs (Mr. Downey) who is responsible for decentralization. Is there such directive to the Minister's department?

Madam Chairman: Item 5.(a) Northwest Region: (1) Salaries \$1,385,100—(pass); 5.(a)(2) Other Expenditures \$364,300—(pass).

Item 5.(b) Southwest Region: (1) Salaries \$1,777,400—(pass); 5.(b)(2) Other Expenditures \$352,000—(pass).

Item 5.(c) Central Region: (1) Salaries \$1,850,700—(pass); 5.(c)(2) Other Expenditures \$357,300—(pass).

Item 5.(d) Eastern Region: (1) Salaries \$1,213,700—(pass); 5.(d)(2) Other Expenditures \$260,100—(pass).

Item 5.(e) Interlake Region: (1) Salaries \$1 million—

* (1450)

Mrs. Sharon Carstairs (Leader of the Second Opposition): I just have one question and it overlooks the whole area, so I have left it until the end. It has to do with the Soils staffperson's change. Can the Minister explain why in one section there seems to have been four people laid off in Soils and five new people hired? Were they given the opportunity to apply for those new positions? Was it an internal competition?

Mr. Findlay: The five positions that were reduced were—sorry, four positions that were reduced were technical staff and the five positions that were filled were advertised open competition to anybody.

Mrs. Carstairs: Can the Minister say if in fact some of the people that were laid off did apply for the positions? Was it determined that their skill level was different than the skill level required in this particular position?

Mr. Findlay: The five positions that were advertised, they were advertised in February or March of 1990 and filled in the spring, in April of 1990. For the four that are being laid off, the notices have just gone out.

Mrs. Carstairs: Surely there must have been some idea that you were going to be hiring and that you were also be going to be laying off. Should there not have been found some accommodation for the civil servants who were to be later laid off, who seemed to have expertise similar to the expertise of these new individuals? Can the Minister give us an explanation?

I will be very blunt. I mean, I have had a phone call from one of these individuals who is concerned that the reason he was laid off quite frankly is because he has been a Liberal Party worker for a

number of years. He feels that he was not being given an opportunity to apply for positions that were going to be hired in the department in similar positions.

Mr. Findlay: When looking at the qualifications of the four that were laid off, they are technical people, and the five that were hired were—it was a professional agrologist position so technically they did not qualify for those positions. They just could not be transferred over because clearly we are looking for somebody with a B.S.A. degree as a minimum qualification for the five soil conservation positions.

Just a comment that, because they work for a particular political Party, is just completely erroneous and out of context and just absolutely wrong. Those kinds of decisions are made by the staff of the department, and there is no way that they would know that. Clearly it is just a misrepresentation of what took place in the department in making those decisions, because the Minister is not involved in those decisions and has no knowledge of it.

Mrs. Carstairs: Let me put on the record that I believe the Minister here. I have no questions. I am just reporting the question that was made to me. I said I would raise it. I have raised it. I am perfectly prepared to accept the Minister's answer for that.

Mr. Plohman: I just want to follow that up a little further. We did not have a chance to get into it last night, because we hit twelve o'clock a little after, and the staff person who was involved perhaps who could have provided the answers was not here.

The Minister might be able to, with his Deputy Minister and others, give us some understanding of why these four positions were eliminated. Was it simply a case of determining that they were the lowest priority on the list to eliminate in order to have additional staff for administering the Soil Conservation Agreement? Is it a result of instruction from Treasury Board to find those positions from within and therefore they had to identify four positions and it happened to be the four soil survey? Would that be correct?

Mr. Findlay: Clearly in terms of priorities of the department the soil conservation program that we are launching under the soil accord with the agreements of the 42 associations is a very high priority. The surveying of soils, which has been going on for years and will go on for many years, is

conducted by a group of staff out there totalling 15. We deemed that we could continue the survey of soils without any interruption with 11 as opposed to 15, because those were just technical positions that were not as high a priority I guess as the other positions there for the soil survey program. It is an ongoing thing, has been for years and will continue for years.

* (1500)

Mr. Plohman: It would be correct to say then that in order to staff the conservation agreement the department had to find the staff from within its existing allocation. They could not hire or engage new positions for that purpose.

As I said earlier, would that be the reason for the Minister indicating that his department had to find his staff from within, or was this initiative brought forward by the department as one where they deemed soil survey work to be largely completed or that the 15 were not required to continue the updates in response to requests for specific surveys, and therefore brought this forward as an initiative for a reduction?

Mr. Findlay: Technically the answer is yes, and yes. Yes, we have had to find the position from within, and yes, we can carry on—as I said earlier—the soil survey work with the 11 as effectively as they could have with the 15. Maybe it will take them a slightly longer time frame, but the survey that is necessary to be done can still be done.

Mr. Plohman: Just two points on this. Could the Minister provide us with the name of the director or the head person on soil survey at this time at the university, who that is at the present time? Also, could he indicate to this House why he was not aware of these positions being cut? He said his ministry was not involved in those decisions. I found that rather surprising, and perhaps I misinterpreted what he said in terms of the individuals as opposed to the idea of those four positions, but I would think he would have been very much aware of that whole process. He would have had to take it forward to Treasury Board, and I would like perhaps to give him an opportunity to clarify that point for the record.

Mr. Findlay: If you are looking for somebody, Barry Todd is the acting head of Soils and Crops, and Dale Partridge is the chief of Land Utilization. If you are asking if—what I meant when I said that the Minister was not involved, I was not involved in deciding who the four would be, but certainly was involved in the

decision that a reduction of four would occur. Beyond that, the executive made the decision.

Mr. Plohman: Is it, Madam Chair, the position of the Minister that when positions are eliminated and individuals' jobs are on the line there is every effort made to redeploy these individuals?

Mr. Findlay: Their names are on the redeployment list and will be given priority when jobs for their qualifications come up, and the executive is fairly confident that they will find alternate employment in the Government.

Mr. Plohman: Just for clarification then, Madam Chair, the four people are working yet, or are they waiting at home for a call for a position on the redeployment list?

Mr. Findlay: Yes, their employment continues to the end of the fiscal year, March 31 of '91.

Madam Chairman: Item 5.(e) Interlake Region: (1) Salaries \$1,378,700—pass; 5.(e)(2) Other Expenditures \$311,300—pass.

5.(f) Agricultural Crown Lands Branch: (1) Salaries \$1,380,700.00.

Mr. Plohman: Madam Chair, could the Minister just indicate the location for Crown Lands under decentralization, where it is going to be located? He was going to provide us with a list of any decentralization moves that were made, when we asked the other day, and where they would be located. We did not receive that, although this was announced a year ago. Were these going to Neepawa? Will all these positions be transferred?

Mr. Findlay: I would like to introduce John Neabel, Director of Crown Lands. The information that was requested yesterday, I have here. I will table it, a list of the decentralization positions, Madam Chairman—table these, too.

The specific question of where the jobs are going in Crown Lands, there are 17 going to Minnedosa and two to Dominion City.

Mr. Plohman: Madam Chair, 17 positions to Minnedosa—could the Minister clarify what positions those are and what the function of those positions is?

Mr. Findlay: In a nutshell, it is the entire Crown Lands Branch.

Mr. Plohman: Well, there are 41 positions listed under Agriculture Crown Lands. If I have that wrong, then the Minister can clarify exactly what it is. That

is what I want to know. I see 41.36 positions, and we are talking 17 plus two is 19.

Mr. Findlay: The rest of the positions are now outside of the city, located throughout Manitoba, rural and northern Manitoba, so it is the positions that are still in Winnipeg. The whole branch that is left in Winnipeg is going to Minnedosa. So now all the positions of the Crown Lands will be outside the city.

Mr. Plohman: Can the Minister just advise us as to whether he had any input into the location for these positions? He said earlier that it made sense, and we agreed in Opposition that it makes sense, to have a lot of the agriculture programs delivered outside of the City of Winnipeg. Obviously the clientele is outside of the City of Winnipeg, however, it depends where they are located. In the case of Crown Lands, I am not so certain Minnedosa is the hotbed of Crown Land activity. There is certainly a lot of activity in the Interlake, a lot in the Parkland region. Did the Minister look at that aspect of it when this decision was made?

Mr. Findlay: The 17 positions we are talking about are going to Minnedosa. It is not really their prime job to interrelate with the clients that are involved with Crown Lands. The interrelationship is with the regional staff that are already out there and have been out there for some time. The location of Minnedosa is relatively central to where those various regional staff are located throughout the Province of Manitoba, so Minnedosa was chosen to be as central as any other location we could see and specifically picked for that purpose.

I said yesterday, the reason that MACC is in Brandon is because the vast majority of the MACC clients are in the southwest-northwest region, so Brandon is a lot closer to where the action is.

* (1510)

Mr. Plohman: There is a lot of information and questions we could get into, but in the interest of time, I just have one other question in this area, Madam Chair, and that deals with the Crown Land improvement program. Could the Minister just describe why that program is being phased down, and what function it has specifically served over the years? I understand that it is being phased down. That is one of the reasons for the reduction in expenditures.

Mr. Findlay: The program actually started back in 1973, and the demand for the program has tapered

off quite a bit over the past few years. If the Member really wants to know, the real decision to scale it down was made before my going into office. The Member might reflect on who might have been there. The reason was for less use and certainly the principle of knocking down bush is not maybe as acceptable today as it might have been years ago, for environmental reasons. The improvement of the existing range land is probably a better way to go, but the decision had been made before I came into office.

Mr. Plohman: Yes, well, it is not reflected until these Estimates, so it would indicate there was a delayed reaction there, some three years. It is certainly a scaling down of several years. It is just a continuation of the scaling down the Minister is saying. I would also want to just ask the Minister to provide some indication of the sale activity of Crown Lands. Is that administered through Agriculture Crown Lands in terms of the sale, or is that strictly through the Minister of Natural Resources' (Mr. Enns) area?

Mr. Findlay: Over the past year, in 1989, 17 parcels were actually sold in Crown lands, and my department receives the applications, because it is our clients that are making the application to purchase. Then the administration of everything is turned over to Natural Resources to execute the sale.

Mr. Plohman: That is 17 parcels as opposed to the last number of years. That sounds to me like it is slowing down. It seems like a very few number.

Mr. Findlay: It has tapered off somewhat over the years, but it is relatively close to average, if not a little bit below average.

Mr. Plohman: The criteria for sale policies remain unchanged, or has there been any significant changes made by provincial land use committee over the last year or two?

Mr. Findlay: I will read the conditions for sale. There are six conditions.

Mr. Plohman: Are these different than they used to be?

Mr. Findlay: Basically similar. There was one cap on it that you could not buy more than six quarters, and that is taken out. There used to be a provision that if you resold it within three years, the Government received a portion of the capital gain. That is no longer in.

Mr. Plohman: Each question begs additional questions. However, can the Minister just quickly explain the rationale for the removal of those two conditions? Obviously, the cap was to prevent large portions of Crown land going into one individual's hands as opposed to several that might want to have access to that land. The resale was that so people would not just buy it for a profit and pocket the capital gains. It was really, I think, a management tool for Crown Lands to ensure that it was being used for agricultural purposes, rather than just simply speculative measures. Why would the Minister have removed those provisions?

Mr. Findlay: Over the course of time, particularly with recapturing a portion of capital value if they resold it, there was found to be no reason to maintain that criteria in there or that restriction because it was never a factor. There was no history of it being a factor or a problem, and in the process of handling the application a lot of that can be dealt with. That basically was just a hindrance to the process and there was no history—pardon?

An Honourable Member: The six-quarter limit.

Mr. Findlay: The six-quarter limit. Again people who wanted to do improvements to the land—and we like to see that sort of thing—wanted to own the land, there was another hindrance to proper management and utilization for improved grazing on parcels of Crown land that technically were probably better handled than in the hands of a private individual.

Madam Chairman: Item 5.(f) Agricultural Crown Lands Branch: (1) Salaries \$1,380,700—(pass); (2) Other Expenditures \$678,100—(pass).

Resolution 10. RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,309,400 for Agriculture, Regional Agricultural Services Division, for the fiscal year ending the 31st day of March, 1991—(pass).

Item 6. Policy and Economics Division.

* (1520)

Mrs. Carstairs: Madam Chair, as the Minister knows, I am going to be asking a broad range of questions because of another engagement. I would like to begin first of all with a discussion of the research budget of the Province of Manitoba, which is some \$875,000, a figure that it has been at for two I think years and it remained at the \$850,000 for many, many years before that.

I did a comparison with Alberta, which is always bad in terms of Manitoba, and their budget for this year is \$7.6 million for research alone. It is quite obvious that we cannot compete with that kind of figure.

Does the Minister have any plans or even any hopes that we can see a substantial increase to our agricultural research budget, because it is impacting very severely upon the ability to conduct new research programs in the Province of Manitoba?

Mr. Findlay: Madam Chairperson, clearly in having been involved in research for a few years myself and many years really and truly, I recognize the value very clearly of research, identifying new ways of doing things, trying out new ideas and see if they work. Research is more than just spending dollars, I guess, is what I would like to say.

We can look back over the history of finding out new ways of doing things, more efficient ways of doing things, more cost-efficient ways of doing things. It is done by researchers at the university; it is done by researchers in federal institutions; it is done by farmers out in the field, in their farmyards; it is helped also by the industry sector, the agribusiness sector. They are all playing a role in research. There is a more active role being played in recent years by the grain companies for instance. UGG is an example, or Manitoba Pool is putting money into research, doing research plots out in rural Manitoba. In fact UGG, as an example, has a half-section out at Rosebank, I believe it is, a very elaborate research facility.

Although you may say that we are not spending enough money in terms of our own budget, in terms of increasing it, I think that overall there is a lot of additional activity going into the research area over time. The university has played a very important role in the past, and they get funding from a variety of sources. I do not have the exact figures, the total research monies that the University of Manitoba brings in, but we have been in constant communication with them. Certainly I would like to be able to find a way in which I could increase that funding, but I think the overall total dollars in research in the Province of Manitoba, I would like to be able to put a figure on it whether it is \$10 million or \$15 million—I am not sure where it is at—by all the different players.

One of the positive things is that there have been more and more players in the past few years in

research, and most particularly in the last two or three years in this province. We are naturally having to share information between provinces. We cannot afford the duplication of a lot of research. Alberta is spending a lot of money; Saskatchewan is spending a fair bit of money. A lot of the research results that come out of there are at least translatable over into Manitoba. I think we have a good research unit at the University of Manitoba in agriculture, and we have said earlier, many companies are putting a lot of resources, effort and staff years into research. They are doing a lot of that in joint projects with different companies in the private sector from around the world. We are bringing a lot of expertise into the province that way.

I think one of the important missions I can play and the department can play is to be sure there is a lot of interrelationship between all the people that are involved in various aspects to research so that we build and complement each other rather than being in competition and duplicating. So that is where, I think, we can play a very major role in that process of the co-ordination and the communication. We have had numerous meetings with different people involved in different ways in the field of research. The research that is critically important to us, in terms of the industry here in the province at this time, is problem-solving research. There is a problem in the canola industry; there is a problem in the turkey industry. Here it is. Take it to the researcher somewhere so we can find a solution or a resolution.

A lot of the research the university does is more pure scientific kind of research, because that is the kind of grants they get from NSERC and the various other locations they get money from. They are not doing as much problem-solving research as maybe we might like. It is happening and being done in other ways and means. I would think, if I was to double this budget, it would not make very much impact on the overall research dollars that were spent in the Province of Manitoba. I think we could spend some time and effort with existing staff to be sure that what is done is co-ordinated in an efficient a manner as possible.

Mrs. Carstairs: It is a reflection of what is happening to the Faculty of Agriculture. If one does Education Estimates, as I have just been through, we know that the grant to the universities and actual ongoing expenditures is 2.9 percent. That actually meant a decrease to the Department of Agriculture this year

of some \$300,000.00. In addition, when we cut out any significant increase to research, which is what we have done here, we make it much less easy for them to then acquire even the journals that are required for the scientists to keep up in their own field.

We also make it very difficult to attract graduate students and to keep those graduate students in Manitoba. What is happening is they are fleeing because we cannot compete if we are offering a post-doctoral fellow \$25,000 and Alberta can offer \$35,000, \$40,000, \$45,000.00. It becomes almost impossible. It is tough to compare ourselves with Alberta, but we do not even seem to be keeping track with Saskatchewan, and we do not even also seem to be able to compete with some of the Atlantic universities that are able to offer post-graduate fellows and, in fact, master's and Ph.D. candidates funding at a much higher level than we can in the Province of Manitoba. It is not just draining agriculture; it is draining almost every faculty, whether it is physics, whether it is mathematics, whether it is history, because they are being attracted elsewhere.

It is a sad reflection that we do not yet have in this Government an understanding that if Manitoba is going to move into the 21st Century, she is just going to have to spend more money in R and D, and one of the areas where that R and D is going to have to find itself is in agriculture if we are going to maximize the potential in that particular industry.

Mr. Findlay: Certainly, in another area, we have had some concerns in the Faculty of Agriculture, and that is in the number of students. It has not been rising in the past few years, although this year—I cannot remember the exact figures—they are not down. I think they are up a little bit, the first time in quite a while.

I have contended many times and places where I have been that the industry of agriculture, in terms of the challenge of the future, is going to be the fact that anybody in the industry, whether he is on the farm or wherever he is, has to be well educated and able to make the tough decisions and make the right decisions and make them with an educated base of information. So it is encouraging maybe that there is a little bit of a turnaround in the number of undergraduate students.

As for the number of graduate students, again I cannot give the Member the exact figures. In terms

of the complement, the numbers and the quality, we have always done very, very well with graduate students at the University of Manitoba, particularly in plant science and economics, the two areas that we have significant strength with staff and the kind of leadership that has existed there for many years. -(interjection)- He took a leave and that is when things spurted out there.

Clearly we have had good staff. There have been a number of retirements in the past two or three years out there, and in the next few years there are going to be a number more, and they are attracting new and very energetic young staff. I had some people in this morning who reflected very positively on the staff we have out there and the way that staff works with the various producer organizations and a lot of the organizations that we have in the Province of Manitoba. So I think we have a reasonably good marriage between producers, the agribusiness sector, the university and the Department of Agriculture, all trying to work in the same direction of trying to promote our knowledge of the industry, and we identify the problems and find ways and means of solving them.

* (1530)

I am very pleased to see the kind of money that the private sector is putting in to help the process of generating new knowledge and do the problem-solving research that is necessary. I think in the next few years we will certainly see significant improvements in our industry because of their investment in dollars in research. Some of it is going into the university; some of it is being done on their own research establishments. It is a combination of all of that. I cannot give the Member an exact figure, but can say the dollars going to research in the province continue to rise, maybe not in terms of our grant to the university, but overall, in summation, it is continuing to rise.

Mrs. Carstairs: Into another issue, I know the Minister himself has tried to do as much as he can for Mr. Tom Alcock, but I did receive yet another phone call from Mr. Alcock today, in which he indicates that if there is no financial help forthcoming, the family will have to go on welfare. I simply ask the Minister to look once again at this case to see if there is anything that can be done for Mr. Alcock and his family.

Mr. Findlay: Clearly, the Member has identified an individual who has been of significant source of

concern to many members of the department, because, over the course of time, many staff have attempted to work with the individual, to try to help him solve his problem. He has a piece of property, he has some animals, to try to make a living out of it. All of the staff that have been there have been frustrated because he refuses to listen to them. All he is interested in is that they bring money. That is not what the Department of Agriculture is about: bringing money. It is about trying to help producers produce and get an economic return in that process. We are frustrated that we have not been able to get any resolution for the individual in the process of farming.

If it is a matter of just needing money from another source, then there are other departments of Government, unfortunately, that he will have to turn to.

Mrs. Carstairs: In the chart that the Minister distributed to us in terms of decentralized positions, it was my understanding that the Soil Conservation positions listed as vacant have now been filled, as have seven of the Tripartite positions. I am assuming from the nod from the Minister that is correct.

I know that the Soils and Crops Branch is slated for Carman; the Crown Lands, Minnedosa and Dominion City; MACC is Brandon. Can he basically go down the others and indicate what communities they are supposed to be going to?

Mr. Findlay: Going down the list: Soils and Crops would be Carman; Crown Lands, 17 to Minnedosa, two to Dominion City; Farm Machinery Board, Altona; Animal Industry, Stonewall; Computer Services, Brandon; Soil Conservation, the five of them, as I indicated earlier, Roblin, Selkirk, Morden, Steinbach, and Shoal Lake; Eastern Region, that position is now filled, and the individual is located in Dugald; MACC is Brandon, 23 positions and then that leaves eight positions, which are located in—decentralization of management, regionalization—two in Morris, two in Teulon, two in Shoal Lake, two in Roblin—this does not total up right—two Melita, two Gimli. That makes 35. Yes. Tripartite, yes, seven positions are filled in Portage.

Mrs. Carstairs: Thank you, can the Minister tell the House—and I think he indicated the other night, and I just want it to be clarified, that of 102.45, there are actually two plus seven now located. That would be nine. Is that correct? The seven positions have in

fact gone to Portage from tripartite, and he seemed to indicate there were two others that had gone.

An Honourable Member: To Portage?

Mrs. Carstairs: No, I thought you just said there were two more that had gone. So the only ones at this point are the seven positions that have been located. Yes, well, the soil conservation people presumably. Okay.

Finally, I would just like to ask some questions in the interest rate assistance program. I did ask some in Question Period, and I did not get an answer. Perhaps I can get that answer now in Estimates.

An Honourable Member: It is the how much question.

Mrs. Carstairs: Yes, it is the how much question. There was in fact a payout to the bank. Would the Minister now like to tell us just how much that payout was?

Mr. Findlay: I prefer not to. Yesterday when I was commenting on how many producers had partaken of the program, I had said roughly 12,000. I now have the exact figure. It is 11,274 producers participated in the program, and the first allocation has gone out to the banks after the first four months. The third and the second allocation will go out after the end of January when the program is completed. The full amount of money is there and allocated and I guess I would prefer to not release that information until the program is totally complete. Certainly some of the accounts that have drawn so far may draw more or less in the second portion, but it was made available on the basis of all acres for all farmers to the tune of \$40 an acre.

There was some criticism at the time that producers who did not have an operating loan would see their way to taking out a loan, getting the money and then reinvesting it. Clearly I do not see much evidence of that. Naturally those who are not in the position of taking out operating loans will not be taking them out, did not take them out in the allocation period of June, and probably for that reason we will be somewhat below the actual target, but when the program is totally complete we will have a summation, and I think that is the appropriate time to put the figure out.

Mrs. Carstairs: I do know of farmers who had not had operating loans in the past and took it out. I mean, how does the Minister know, because he has made that statement several times now, that there are farmers that have not exercised this, who did not

have operating loans in the past. I mean, was that asked on the questionnaire? You know, have you had operating loans in the past one year, two years, three years, four years, five years, because I can tell you one who actually sat at a meeting and told me how much money he had borrowed, how much money he was getting in interest on his reinvestment, and what profit he intended to make on the Province of Manitoba as a result.

Mr. Findlay: I guess we did not ask on the information sheet, and we only get it in discussion with individual bankers who tell me what took place, or with the program administrators of the banks, who talk to our staff, that their position is that there was not abuse or wide-scale abuse of the program, but it was there for everybody to access. Let us face it, every farmer, no matter whether he had an operating loan in the past, actually had expenses, and it was set up to reduce their cost for their expenses. If they paid it out of cash, they could say, well, I paid my taxes, why can I not access it? We did not want to tell them, no, you cannot, because you are a good farmer. So they had the opportunity to use it.

(Mr. Jack Reimer, Acting Chairman, in the Chair)

Every once in a while, somebody does make those statements that you say, well, I abused the program by doing this or that. What it does cause is, in future programs when we are trying to help the needy out there, it causes you to rethink your programs and put in strict guidelines and tough regulations to prevent somebody from doing that sort of thing.

Always somebody is going to slip through the cracks and do something that really is to the detriment of what the program was intended to do, but for the most and vast majority of the 11,274, there is no question that it reduced their cost of borrowing money to pay the expenses of putting their crop in over the course of the summer, when their cash flow was not as good as it would like to be and the interest rates were far higher than the farm industry can really afford to pay.

What it really did, on average I would say, is it reduced people's interest rates on operating loans from 16 percent to 9 percent. A very substantial improvement.

Mrs. Carstairs: The Minister's answer does not give me much comfort, because quite frankly, as a consumer, I would be horrified if my banker was

giving out information about my loaning, whether I had borrowed or whether I had not borrowed, to Government without that being a necessity of a program to which I had been precisely informed that this information was to be passed on to the Government.

* (1540)

So I find it quite frankly unacceptable that the Government is even asking questions of the banks about the lendees of their particular institutions, and whether they had a track record of having loans or whether they did not have a track record of loans, unless that was specifically in the program and identified as such to the farmer when that farmer made an approach to the bank for a loan.

Mr. Findlay: Mr. Acting Chairperson, clearly the information between the bank and the farmer is 100 percent confidential. We are not asking the information, but naturally the bankers come in and meet us at different times and they talk about the success or the failures of whatever is going on in the industry.

Clearly they have talked in very strong terms about the success of what this program did and they say in general terms, not with specifics, in general terms farmers who absolutely did not need it recognized that, and did not abuse the program in any large-scale fashion.

It was there for them to use if they had the expenses, they could take out an operating loan. We were not going to say, absolutely no, you must not. Because they have paid their taxes and they have earned the right. Those farmers who had an operating loan and had the high expense, they had the opportunity to reduce the cost and everybody else had a cost, even though they did not have an operating loan, had the opportunity then to reduce the cost to them by taking out a loan, if they so chose.

In general the banks believed the program worked very well and the administrative cost to us was very, very low. The majority of the administration cost was absorbed by the banks in the process of doing their normal business, and I congratulate them for that, so the efficiency of delivery of the money that is out there has been very, very high.

Mrs. Carstairs: Can the Minister tell the House, if at any time there was consideration given to restricting this particular interest rate relief

assistance program to individuals who had operating loans in the past year or the past two years or the past three years, or whether from the very beginning it was determined that this would be open to all farmers whether or not it was clearly proven whether they had any specific need for this Interest Rate Relief Program?

Mr. Findlay: Certainly, once you put those kinds of restrictions in, and certainly gave some thought to it, you put those restrictions in and there you have somebody who has to borrow this year, because his cash flow is tight, who did not borrow the last two years, or somebody who may have moved from one institution to another this year versus last year. It would have been a very difficult problem for the banks to administer it on that basis. If they were not going to administer on that basis, we decided we did not want to get involved in making those decisions, then the administration would have to occur by us and it would be much more costly to deliver the program. Probably we would run into more problems trying to deliver it than the financial institutions would run into.

Mrs. Carstairs: I just have a philosophical question now that I want to ask, and I want to make it clear from the beginning, I am not finger pointing at any individual.

There have been a lot of articles in the last few days about Premier Don Getty in the Province of Alberta and his ownership of production. Ownership in oil production—because I have some knowledge of that since my family also owns some production in Alberta—you belong to a group that you may have 5 percent, 2 percent, 1 percent, and there seems to be some discussion in the media as to whether he had a real conflict of interest. I think that there is real question as to that. I do not find it easy to prove that he did, quite frankly, but it could equally be said that if he did, then all of the Ministers who had farms and therefore potentially able to access this particular Interest Rate Relief Program would also have conflict of interests.

Can the Minister tell the House if all of the farmers on Cabinet at the time of the decision did in fact absent themselves from participating in this decision?

Mr. Findlay: In truth, if that had to happen in our Cabinet we would not have had a quorum; that is simply the way it is. I probably find it unfortunate that the Member would bring this up, because farmers

have not been labelled with potential conflict of interest between Government and their responsibilities. It would mean that somebody who is involved in the industry of farming could never be the Minister of Agriculture. It is absolutely out of the question, and it has always been that farmers are Ministers of Agriculture and that question has been left out. If you want to ask a personal question, I do not run my farm, my son runs my farm, and he makes those decisions and signs those documents.

Hon. Harry Enns (Minister of Natural Resources): Mr. Acting Chairman, the Member raises an interesting question, and it does come up from time to time. I think the answer to that question more fully is that university applied programs, where there is no singling out of the individual involved, is understandably not in a conflict of interest position. We are all recipients from time to time, not voluntarily, of our health care system in our province. We debate it at great length and we have individual responsibilities, from time in committees or in Cabinet, to make decisions affecting the health delivery service as, for example, or the Pharmacare program. No individual Manitoban, be he Cabinet Minister, or MLA, or individual private citizen gains entry to it because of that position.

These are universal programs, just as the agriculture programs are universal programs, even though at times certain segments because of the conditions apply. A farmer who is not involved in cereal production obviously is not a potential recipient of the crop insurance program, if in fact that program triggers out payments in that particular area. So it is that universality of the program that I think differs from the issue that she raises where a Minister certainly can be, or any Member can be, in conflict of interest, except Members of the Executive Council more specifically in their decision-making role when they effect a change or set a condition that applies to a particular industry or a particular business of which he or she then either participates in or does not. That is an individual choice.

I do not know, Mr. Acting Chairman, whether that is of any assistance to this particular program. It is one that has raised its head from time to time and is particularly kind of vulnerable to a group such as ours. The Member understandably raised it, where we, as the Minister quite correctly points out, would have difficulty maintaining a quorum in our Cabinet if we absented ourselves from agricultural decision making, particularly at a time when agriculture

deservedly occupies a great deal of our time, the Minister's time, and the time of Cabinet.

* (1550)

Mrs. Carstairs: Mr. Acting Chair, I happen to agree with the Minister, but I also happen to agree that in that definition neither is Mr. Getty into a conflict of interest, and yet more and more of those questions are being raised by the media. I think we have to be ready, willing and able to provide that kind of a response if we are going to not only avoid it when this Government happens to be in power but when other Governments come to power, because they are going to find themselves in much the same kind of situations being asked to make the same things.

Finally, and I have been asked by the Finance Critic for one final bit of information if it is available, and that is: Does the Minister of Agriculture (Mr. Findlay) have at his disposal the average subsidy per farmer in the Province of Manitoba? I know we have seen a lot of forecasts and numbers in the Globe and Mail and a number of other publications as to what this farmer gets and what that farmer gets. Has there ever been any evaluation here in the province between federal and provincial agricultural programs which would give him that kind of a number?

Mr. Findlay: Mr. Acting Chairman, we have a rough calculation of the amount of dollars that go in per farmer as provincial money, roughly \$2,520 per farmer. We took the total amount of dollars that go into various programs and divided it by the 27,000 farmers and we came up with that figure. What kind of dollars go in from a federal end, we do not have a figure in front of us right now, but it probably is fair to say it would be more than that. We are using it for the 1988 year. Included in that, of course, is the fact that farmers do not pay provincial sales tax on fuel. That is considered a support, although it never goes out as direct dollars, but it is reduced cost.

Mr. Plozman: Mr. Acting Chairman, I would like to just follow up briefly on this issue that was just raised. I think there is a touchy issue here, particularly when a program such as an interest-rate reduction which would offer a 7 percent benefit to members of Executive Council or any MLA or anyone else who might be a farmer and eligible for the loan.

In the case of the people making the decisions, yes, they are making it as a universally available program to all in that line of business. However, they

are making a decision conscious that they will benefit specifically. Sometimes it is more down the road. There might be a pension improvement that everyone is going to benefit, so that is quite removed.

However, in a case where there could be a decision made on a program where an individual Cabinet Minister could benefit within a very short period of time by taking out that loan and having a 7 percent interest subsidy from the Government, there may be a wise decision made, or contemplation made at least, by some Cabinet Ministers that they would ensure that their operations would not take advantage of that if they feel that it might be touchy, and particularly insofar as the perception of the public. It is not always whether there is a specific conflict as defined by the rules, but whether it would be perceived as such by the public.

I think that the Leader of the Liberal Party (Mrs. Carstairs) raised a very good point in terms of something that the Minister may want to reflect upon in future when dealing with issues such as this. It may not ever become an issue, but it might become an issue if some individual from the media wanted to make it an issue, or from any of the political Parties. I would think that it could become an issue at some point and something that the Minister would obviously want to be sensitive about.

I only offer that as a suggestion in terms of dealing with those kinds of situations in the future where there is a direct benefit in a very short period of time as a result of the decision taken by Cabinet. So rather than absenting themselves from the decision, the easy way to fix that up is just say simply, well, I am going to ensure that no operation of mine is going to get an advantage from that decision.

Mr. Findlay: Is the Member prepared to extend that to crop insurance, our decisions on the safety net program? Then there will be no farmers from rural Manitoba who can come in to the Government. It is just as simple as that. It is impossible to be in Government and not have a conflict in some pure definition of the word. I mean, when we voted here to improve our pensions or our salaries as 57 Members, can we vote? No, we cannot vote if you take that to the purest point of view. You have to use some common sense in this, and I think that—

An Honourable Member: His plan is to keep farmers out of the Governments then.

Mr. Findlay: Well, maybe that is it. Maybe that is it, but you know really -(interjection)- how far are you going to take it?

Mr. Plohman: The thing, Mr. Acting Chairman. I was saying is that the Ministers have to reflect on this in their own situation, that is all. I am not saying the public would perceive there would be any sense of impropriety in a situation such as this. They may think that, and the case could be made. Therefore this question is asked. I raised this only as one way to deal with the situation, as opposed to having to deal with it in advance by saying, well, all the Cabinet Ministers have to absent themselves, and they do not have a quorum. I mean, it is totally ridiculous.

On the other hand, there may be a decision made by the Premier (Mr. Filmon) or by the Ministers themselves, that maybe there could be such a direct link with certain decisions made, that it would be better off, cleaner, not to have those Ministers have any way of benefitting from it. That is just something to think about and reflect upon. It is not something that I am saying has to be done because, yes, there is a problem as to where to draw the line. Where could you possibly draw the line, and how far down the line would you go with those kinds of decisions? That is the difficulty.

It is all in the mind of the individual who wants to make that decision to ensure that there is an absolutely squeaky clean reflection upon them by the public generally, or whoever else may be questioning it. I want to leave that and go on to another issue.

Mr. Findlay: Just one further comment. As the Minister of Agriculture, I would look awfully stupid if I did not have crop insurance, and I am out there trying to sell it. That is the way the public looks at it. If my farm did not have crop insurance, I could not farm without it. I mean, I cannot live without taking that risk. If I was to stay out of all programs that the Government administers, I could never be an MLA. I think that is fair to say with everybody who comes from a farm. They just could not be in here if you carried it through to that point.

We believe there is federal legislation to permit Members of Parliament to participate in agriculture programs. Now whether that federal legislation covers MLAs in provinces, I do not know, or whether there is any legislation in the background in this legislation that allows farmers to participate in

provincial Government programs, I do not know. In the purest definition of conflict of interest, we clearly have a conflict any time we are dealing with policies relating to agriculture in our Cabinet, or as a Minister dealing with it. It is not something that the public has made an issue of in the past, and I have commented many times on this. I see that conflict, but yet I cannot let it stop me from trying to do business as a Minister.

I know, as well as the Member knows, our lifetime here is very brief. You cannot walk away from your profession. You have to maintain it. You cannot walk away from a farm and leave it completely, and then expect to come back in six years.

At least I have the luxury of having a member of the family who is running it, running the farm for me. So I am a little bit removed from it. It is still there for me to go back to, so I still have the contacts.

Mr. Plohman: The federal Cabinet Ministers require their property to be put in trust and get a little bit further removed. They do not have any say in the decisions that are made at all.

I would think that the analogy that the Minister drew with crop insurance falls apart if, for example, it was shown that an individual Cabinet Minister, or the Minister himself, who did not usually take—just for an example—an operating loan but then this program was put in place and he decided to take an operating loan that year and invest the money. I would think a situation like that might be very hard to explain under those circumstances. That is the kind of situation that I was referring to. I will leave that at this time.

I will comment on the program itself. I think there is some legitimate concern about this program, this 7 percent interest write-down program, in the fact that there were no guidelines established or questions asked about whether an individual usually took out an operating loan on a yearly basis for his agricultural operation.

* (1600)

I know of cases, too. The Leader of the Liberal Party (Mrs. Carstairs) reflected on an individual who stated they took the loan simply to invest it, because obviously the differential in interest rates was there. Many have done that I believe, and there have been no checks and balances.

Obviously the banks are not going to say the program has not worked well, because it is in their interest to loan as much money as possible under

that program, because every time they do they make money. Why would they want to say to the Minister, gee, there is a lot of abuse?

Maybe it is not their business to tell the individual client relationship in terms of the individuals who would be involved in that kind of activity, but I do not think that they would even want to reflect to the Minister that there was any widespread abuse of the program.

The problem with that is it undermines the integrity of the program, the public perception that it is going to help those in need. That is what we are trying to do, I would think.

The Minister says, well, they have paid their taxes and they have earned the right to take a loan. I think that is wrong. I do not think there is any right to that loan. That is a privilege as a result of a program brought in to assist those who need it because of high interest rates, and the determination may be made on the basis that they would take a loan with an inflationary factor to the same level that they usually take an operating loan, I would think.

If they have not taken a loan for five years and suddenly they go in and take the maximum amount allowed and borrow it, then I think there is abuse of the program in most cases. There might be some cases where they would have needed it this year and they did not in previous years. They just ran out of any reserves to operate.

I think the Minister could reflect on that program and could ensure that the program was more targeted and dealt with the purpose that it was stated to be dealing with publicly in order to preserve the integrity, because the public does not want money flowing to farmers who do not need it. The belief is—and that is where some of the urban feeling about whether farmers are getting too many handouts comes from as well.

We know there are a lot of farmers in trouble out there. I am certainly supportive of programs that assist with interest rates when interest rates are high, and other forms of assistance.

I do not want my comments right now to be misconstrued in that regard, but I think it is important to maintain the integrity of those programs and the support and trust. I think the Minister -(interjection)- Well, the Minister of Natural Resources (Mr. Enns) says it is his job to misconstrue. He can misconstrue if he wishes.

I tell you, I believe that the Minister misconstrued this program and made some serious errors in it when he left that open-ended. I think that is a major mistake and one that we in the Opposition will take the Minister to task on. I think that is a point that has to be made in this House.

I asked the Minister if he was doing this again, not having the data, but having these statements put on and discussion on it. I do not know whether he reflected on it before he went ahead with that program, because there will not be any data. There is no way of measuring it. The banks are not going to release that information. Whether he would, in fact, look to put in some safeguards to ensure that people are not borrowing this money simply because they are eligible, not because they need it on the basis of their historic need.

Mr. Findlay: Mr. Acting Chairman, I think the Member has clearly missed one of the important points in the way the program was put together and administered. As I look back at previous programs under their Government, they put money out and they could not get the money back, were writing them off, writing them off.

Interest Rate Relief Program, what is it, item 12? Number 11, no—10. Emergency Interest Rate Relief Program. We have been writing that off for a long time, because they did not administer it properly. They got the money out there and they could not get it back, were writing it off, writing it off. There will not be one dollar written off by the Government in this program, because if there is any money not collected that was loaned out, the banks, financial institutions, take the full loss, 100 percent of the loss, so the Government and the public of Manitoba has low liability in this process. The money went out there and did its good, and the Government and the public of Manitoba is not going to be liable for any losses, none whatsoever. I think the Member has totally refused to recognize that.

If you take two farmers, you take farmer A and farmer B, go back 20 years. Farmer A decided he was not going to borrow money. He was going to live within his means. He worked on a quarter section, then he got the half section. He used old machinery and lived in a modest way.

Farmer B, same age, right beside him, decided he is going to be a high roller. He got two sections and three sections and big equipment, borrowed all kinds of money. Who is the better farmer in the long

run? Should you be bailing this guy out and ignoring this guy who made all the right decisions? Ask the Member to answer that.

Mr. Plohman: Mr. Acting Chairman, I would be pleased to answer that. The fact is that the Minister has put forward a hypothetical situation. For every hypothetical situation that he has outlined that would be descriptive of the description that he gave us here, that would fit the description that he gave us, there will be another situation where it is not because the guy wanted to be a high roller that he needs the operating money.

The assumption being made by the Minister is that anybody who needs an operating loan under that statement is a high roller. That is not the purpose of this at all. If that was the case the Minister would not even put the program in. He would say they are all high rollers out there, they do not need this program.

The fact is that there were hundreds and thousands of farmers who needed some cash injection and were faced with prohibitive interest rates and so the need for an Interest Rate Relief Program. I am not going to reflect on whether money was written off before. I am not saying that the programs were always done as efficiently as they should have been and whether that money should have been written off or recovered, or it could have been done a different way.

I am just saying to the Minister that if we want to ensure that the public feels secure that the dollars going from their pockets, from Government coffers, which is the taxpayers' pockets, is targeted to those who need it to ensure that our family farms stay viable, and the farmers and the families stay on the land and our rural communities stay viable, and the schools remain open, and the hospitals and so on, and to keep our rural way of life, then we have to put in those safeguards. We have to publicize those safeguards so the public feels secure that indeed it is going to those in need.

I think that instances where people just simply took the money and put it in the bank, or put it in other investments, do not do anything for ensuring that the public feels confident that the Government is administering the programs in the best possible way and making the best use of that buck.

The Minister will be the first to say, along with his colleagues, that he believes he is a good manager, that the Conservative Government represents good

management. I am pointing out an area where I think he slipped up on good management insofar as that is concerned and that was another question on the form that was required for the individuals who applied for this program. They could have dealt with the situation quite easily and not had people taking advantage of this program who were simply investing the money rather than using it for the purposes that it was intended when the program was devised. That is all I am suggesting, and I put it forward to the Minister, if he is going to have to come forward with a program like this in the future.

Mr. Findlay: I would like the Member to at least recognize that we did manage this. We are not going to lose any money. We did not have to put another \$5 million in the program to deal with write-offs of uncollectable loans, that was not there. I think that is good management, very good management.

Take those two examples I just gave. This one guy obviously has a history of borrowing money, so he qualifies automatically according to your definition. This fellow does not have a history of borrowing money, but maybe he was very tight with cash this spring and needed to borrow money. He comes into the bank and, because of a check box on the form, he has to say he did not borrow money in previous years, so he does not qualify. How do you handle that fellow? You cannot say no to him, so you will not say no to anybody who has an operating loan. This is the process we decided to follow, and sure we can reflect and say, well, maybe we should have found a screening mechanism, but it would have been a costly administrative process. We would have had to deal with special applications for those who fell into special categories. We decided to make it universally available.

* (1610)

Mr. Plohman: Mr. Acting Chairman, I think the issue of waste in the programs is the issue that I am dealing with in terms of the questions and whether the money is going to those who need it. In all cases administration or targeting and putting screening mechanisms and limits on programs requires administration and that is the other side of it, the difficulty.

There is a constant balance in all Government programs I think, as to where you draw the line in overadministering something and tying up so many costs in administration that could be used to deliver much-needed services to people. I agree that there

is a question there and there is a balance that has to be struck. Here there is no administrative cost really to the Government and that is positive. On the other side, we do not know how many millions of the—and the Minister will not say how much of the money is going to flow.

He said that the first four-month payment has gone out and from that he would be able to get a pretty good handle on how much of the \$23 million is actually going to be spent. I believe it is \$23 million. Is that correct? It may be 20; it may be 15. We do not know because the Minister has not provided us with that four-month figure. I think he should reveal that figure to the Legislature.

We are not asking for how much Mr. Jones down the road got. We are not asking for specific operators and how much money. We are asking for the projections of spending under that appropriation. How accurate was the Government in its projections? It has a much better yardstick now based on the four-month experience. How much did it have to pay? That is going to be much closer than the estimate they gave us in the book at the beginning of the program, and I think that is a legitimate question for the Minister to answer to the Opposition here in this House, and to the people of Manitoba. Why will the Minister not provide that figure?

Mr. Findlay: Mr. Acting Chairman, the Member may comment in his long preamble that those in need should get support. I contend that all farmers in the present economic climate who have acres out there are farmers who are in need of support right now. I cannot see how we can deny any farmer some support right now in terms of trying to get them through this tough period. They are all in need.

As I said to the Member for River Heights (Mrs. Carstairs), a lot of that degree of hurt was inflicted by a personal choice of the producer in terms of—and not all of it I agree, but a lot of it was by personal choice. Some have managed very carefully and not got themselves into financial difficulties or into high debt loads. They are the ones who cannot be left out of programs of this nature because they are also hurting. They hurt all the way along trying to manage their affairs and stay out of trouble. I always like to recognize people who do that.

In terms of my answer to the Member for River Heights, when the program is completed, we will

have the complete figure and will be able to publish it at that time.

Mr. Plohman: In the Minister's preamble he talked about personal choice, and I think that argument that people got themselves into trouble by their personal choice is not reflective of the real situation out there. People, farmers generally, are in trouble. The ones who are left now—those who made terrible decisions, most of them are gone. The ones who are left at this time, and have managed to have jumped through all the hoops to continue to operate through this time, had made mostly the right choices and should not be blamed for the difficulties they are in right now because of their wrong decisions. Any time a person gives me that, I say that is a red herring. That is not the issue.

I mean, sure there are good managers and bad managers, and there are degrees. Some are very fortunate in making some of the right decisions, not necessarily just good. You have to be good to be lucky, I guess some people would say. The point is that if you do not get as much for the product you produce as it costs to produce, it does not matter what kind of a magician you are; you cannot make a buck out of it. That is really why farmers are in trouble.

I think that whole argument is just wrong, to talk about that any more, about the personal choice of all the bad managers out there because that misses the real issue. I do not think the Minister was meaning to do that because he would not be involved in programs, but there are a lot of people who think that. They keep using that argument, and as soon as you bring it forward you are just adding fuel to that argument. It is, as I said, a red herring I believe. I think the Minister should be in a position to provide us with those figures up to date. He will with any other program. We are being very patient about this and asking the Minister again.

I do not think he has given a very good reason at all. He said he just would prefer not to release that information about the amount of money spent to date and the projections for the whole year. Is he embarrassed about something with this program, or what is it that would make the Minister want to keep this confidential? How can this be used against him unless he is so terribly wrong in his original Estimates that he is so embarrassed about it, he does not want to put it on the record? He is going to have to face reality at some point. The chickens are going to come home to roost in this program

eventually. I mean, he is going to have to reveal the figures. Why not reveal it now and give us an idea of how this program has worked? He has got the history now. He has got the four months. He has made the payment. That is what he said to us, payment has gone out. So, what has it cost the Government? Why will he not answer that?

Mr. Findlay: Mr. Acting Chairman, it has not been the tradition to give out figures part way through programs no matter what the program is in the Estimates book. When the year is over we will have a tally as to whether the total expenditure was over or under the projection. That has been an ongoing policy of the department for a long time. When a program is over then we sum it up, and we know where it is at with regard to budget expenditure projections. A year from now you will know it quite clearly, what the figure is.

Mr. Plohman: Mr. Acting Chairman, I can only assume the Minister has nothing to brag about or else he would be telling us. So, he is not too pleased with the information that is available or he would make it available to the public. Certainly he would be wanting to tell the public how successful his Interest Rate Relief Program has been to this point in time. I know that he has said there are 11,274 people who took advantage of it, but he did not talk about the total dollars expended, and I think that is the only way of measuring the benefits that went out to farmers.

* (1620)

He says it is successful, so I think he should not hide behind what he calls some kind of tradition, that the department never gives out progress figures. I think the department, depending on the program, if they can find a way to give the figures, they would provide the figures in Estimates. That is what the process is for. Normally, this process does not take place six months through the year, but in this case it does. So the Minister should not be talking about history or tradition. The fact is, this happens very few times in the last 10 or 15 years. I do not know if it has ever happened, except for last year, since the 1988 election, that we have been doing Estimates in September. So, the Minister should not use that—

An Honourable Member: How about November?

Mr. Plohman: Well, September, November, yes. The Minister should not use that as a guideline or yardstick for his decision to sit on this information

which should be public information. I want to know what the Minister is hiding.

Mr. Findlay: Mr. Acting Chairman, it is very clear, I have given the Member the number, 11,274 farmers applied for the program, \$23,360,000 is allocated to the program. We are in the process of arguing the Estimates, not the conclusion of a program. We will argue the conclusion when the program is concluded.

Mr. Plohman: I would ask the Minister in a different way then, how many million dollars does he expect to lapse in this program?

Mr. Findlay: I do not know, because the program is not over.

Mr. Plohman: Well, Mr. Acting Chairman, the Minister has said some 11,274 producers have been successful in their applications. How many were turned away? Does the Minister have that information? How many were rejected who wanted this loan and who were deemed to be too high a risk by the banks to be given a loan?

Mr. Findlay: To our knowledge, we are only aware of two producers who had loans that the banks would not lend any more money to, only two. That means two out of 11,276 who made application.

Mr. Plohman: Mr. Acting Chairman, is the Minister confident that he has the full information here? He is talking about two out of, say, 12,000. How many percent is that? Well, it is minuscule. The fact is the Minister can only feel assured that this information is correct and complete if he did have a reporting mechanism from the individual banks that was funnelled into his department on producers who were rejected. Did he have such a mechanism?

Mr. Findlay: The Member says, are we confident that we know exactly the numbers who were not successful—no, I say, to our knowledge at this point in time, it is only two who we have been made aware of who were denied.

With regard to a post mortem of the program, clearly we will be speaking with the financial institutions to get an analysis of how it went, and the appropriate questions for a total analysis will be asked at that time.

Mr. Plohman: The Minister used the figure of two in the House. Now he is saying that is only as a result of information that was provided, perhaps complaints by the two individuals to the Minister that

they were not able to get a loan. That may have been or maybe an MLA referred them to the Minister.

Is that how he got that information as opposed to from the banks? There is no reporting mechanism to the department on the numbers of approved loans and the numbers that were not approved from each branch or each bank, globally, in the province.

Mr. Findlay: No, there is no compilation of the nature the Member speaks of from the banks to the department, but the department is aware of two individuals who were denied.

Mr. Plohman: Then we could assume that that too, is totally irrelevant to the question, that the Minister has no knowledge of how many were turned away under this program. I am aware of individuals who have come forward with concerns—have raised a concern in a general way of not being able to access this program.

I think if the Minister was going to make this program available to those who did not strictly need it for operating or to invest the money, he might have taken some steps to ensure that those people who really needed the money, who were in serious risk—we would have to say that the people who were turned away probably needed that money for operating and putting the crop in this year, and it turned out to be a bumper crop, not worth anything in terms of dollars per bushel, but a bumper crop. They were denied that opportunity because the banks refused to give them the money on a loan that was guaranteed in terms of the interest rate subsidy by the province.

Perhaps the Minister should have looked at that side of it in terms of ensuring that those dollars flowed to those individuals who really needed the dollars to put their crop in this year.

Mr. Findlay: I would like to remind the Member of another program that exists, the Guaranteed Operating Loan, available through MACC for individuals who are having trouble getting an operating loan, can go and apply for a guaranteed operating loan where we, as Government, guarantee that loan.

That vehicle is open for a farmer who has difficulty arranging an operating loan on his own accord. So he had the two angles. He had the guarantee and then he had the Interest Rate Reduction Program. Those people that he is talking about, we are giving them double support if you want to look at it that

way—two avenues of support, one to guarantee a loan, second to reduce the interest rate.

That is why there were very few in the category the Member would like to find a large number in, because of the combination of programs available.

Mr. Plohman: The guaranteed loan, would that also be eligible for the 7 percent reduction?

Mr. Findlay: The guaranteed operating loan is taken out through a financial institution. So, yes, it qualifies as any other operating loan would qualify.

(Madam Chairman in the Chair)

Mr. Plohman: Madam Chair, the Minister has stated that I would like to find a large number. I would hope there would be very few, if any.

The Minister used the term "two" without knowing what he is talking about. He is only going by what the department had complaints on. He did not really say how the department became aware of these two. Perhaps he can clarify that.

The fact is there is in all probability many more out of 11,274, even 1 percent, even a half a percent would be many more. The Minister cannot say with any certainty that there is not more, and he cannot give the answer here. So he should not dismiss this as being a totally irrelevant concern.

As a matter of fact I am sure, from the information that I have, that there are many more than the Minister has provided information on today. I do not know how many. I would have liked to have known that, and I think the Minister should have had that information to know whether his program is meeting the needs of those who need it most. Surely that should be one of the goals of the program.

The Minister stated earlier that all farmers need it, and I stated that there was a matter of degree there. I believe that all farmers have suffered as a result of the current situation with commodity prices, but some have suffered more and that is obviously the people that I was most concerned about in terms of meeting their needs with this Interest Rate Relief Program. It would be a shame to see many of those who desperately need it being the ones who are denied funds under the program. I hope the Minister will attempt to find that information when he does an analysis of the program when it is completed.

If the interest rates stay the same level they are now, does the Minister contemplate a similar provision for the coming year?

* (1630)

Mr. Findlay: If the Member reflects back a little bit, remember in February when the federal Government brought down the budget. I remember very clearly that the projection on interest rates would be down to 11.1 percent by the end of 1990, so clearly projections of interest rates have not materialized. We all thought at that time that it would be great if that happened and that this program would do a good job in the short term, and in the longer term the problem would not exist. Clearly as things have unfolded, it has not materialized in terms of a drop of interest rates. Whether we can do another program again remains to be seen, but as we talked yesterday I mean it is obvious that we are going to have reasonably heavy expenditures in the safety net side of the issue.

The safety net is reflecting on taking into account the costs, the increased costs from year to year in the IMAP price so technically one can say the interest rate cost, the same right across the Prairies, is reflected in the safety net program in terms of level of coverage that exist for the farmers. I would have to say if the safety net program moves forward that is where our support will be.

Mr. Plohman: What the Minister is saying, Madam Chair, is that he certainly will be endeavouring to have the money that is used for interest rate relief rolled in as a portion of the provincial contribution for any share that the province has to put into the safety net program.

Mr. Findlay: What I am saying is that our emphasis right now is to protect the farmer from costs of production and low prices, or drought, or whatever the eventualities are in 1991, that the mechanism of protection is the safety net program.

Mr. Plohman: Would the interest rate relief costs qualify toward the percentage that the province would have to make, say it was 20 percent, 30 percent, whatever, of the safety net program? Would those dollars that the province put in for the first year and any deficiency payment obviously has to be based on last year's situation, would the dollars that were put in for the interest rate relief qualify toward a portion of the obligation that the province would have in any agreement with the federal Government?

Mr. Findlay: If we are looking ahead to an ad hoc payment, clearly we are not expecting as a province to participate in that respect. We are expecting a total federal responsibility, because the problem is

to offset low prices which is clearly an international situation. The province has no control on that, so we are asking and all provinces are asking, that the federal Government is totally responsible for any deficiency payment or ad hoc payment that might come into being in 1991.

Mr. Plohman: Well, that is an interesting point because the Minister said that—we talked yesterday about the safety net and the share that the province would put in. Is it the position of all the provincial Governments that the federal Government would be responsible for a deficiency payment in 1991 in the spring, based on the low grain prices the previous year? Has the federal Government accepted that principle in the discussions that took place in Winnipeg?

Mr. Findlay: No province has expressed anything to the contrary. The federal Government has not expressed any opposition to that position.

Mr. Plohman: The Minister is saying then, that he is free to lobby the Minister to get on with an announcement on deficiency payment for next spring, without fear of having any financial obligation toward that program.

Mr. Findlay: Well, it is a complex web. I mean, they have made it very clear that the safety net process, the mechanism, must be in place. The dispute right now is who is paying what portion of the Government contribution to premium. We have to get through that hurdle before we will ever get to the next hurdle, but we are going step by step. We have to work out the cost-sharing aspect of the funding of the safety net program. Once that is in place, the federal Government has made a commitment that they will look after any deficiency payment that would be used for 1991, that would be funnelled through the safety net process.

Mr. Plohman: Well, that message is really not getting out there to the farmers right at this time. I believe they need to know there will be a deficiency payment and the amount that would be available. The Minister is saying that the federal Government will not make a definitive commitment until, and if, the safety net issue is resolved in terms of the contributions there. So they are using that announcement, or the need for a deficiency payment, as a hammer to keep the sense of urgency before the provinces and to get them to agree to a funding formula. Is that correct?

Mr. Findlay: I guess one can perceive anything he wants, but the federal Minister has been making that statement—that the mechanism of any ad hoc assistance in the future is through the safety net and through the safety net only. He has been making that statement over the past two weeks quite regularly now.

Mr. Plozman: Does the Minister have any idea of the magnitude of a payment for the spring, assuming that the details of the safety net can be worked out in terms of contributions? Has he had any discussions with the federal Government as to what is needed in terms of a cash injection for the spring?

Mr. Findlay: No, I do not have any figure in mind. The federal-provincial officials are to analyze the income situation as it materializes in January and February and report figures to the February meeting of Ministers.

I would also remind the Member that there is still the potential of a payout under the Western Grain Stabilization Program which is still in place and undoubtedly will be in place until the end of July, 1991. In this crop year we are in, 1991, all projections point to a probable payment of some degree. Naturally, that money will flow in early 1991. There have been numerous figures tossed around, and I have not heard an official figure as to what it will be, but it is still subject to amounts of grain sales that will occur over the next period of time as to what the figure finally ends up to be.

Mr. Plozman: I think that points to the urgency of dealing with the safety net questions in terms of planning for the spring as early as possible for the producers.

We have talked a little bit about the GATT talks. Under this policy section, I believe it would be appropriate for us to complete any discussions on the province's position on GATT. We have expressed concern on this side in this Legislature about positions that have been enunciated by the federal Minister, John Crosbie. One was his statement about the amount of subsidies that are going into agriculture. I forget the descriptive word he used. It is quite derogatory toward—it was something to the effect that it was certainly an outlandish amount of money to agriculture that the federal Government was putting in, but then the other aspect that we were concerned about was the one dealing with the strategy for negotiations.

Now the Minister, I understand, is going to be leaving this weekend for Brussels to be part of a delegation. Before I go into any more questions about strategy, maybe the Minister would give us an idea of what his involvement will be, and what is the current general itinerary for that conference as he knows it at the present time? Is he going to be in Brussels for how many days, and what involvement does he see? How big of a delegation are we looking at? What kind of role do the Ministers from the provinces play in the discussions for that week?

* (1640)

Mr. Findlay: Madam Chairperson, I will be leaving on Sunday and going to Brussels, obviously arriving there on Monday, and coming back the following Saturday. Hopefully we will be there when the critical decisions are made. That is the week when the meetings start, and the all-Ministers meeting from all the countries. Our role will be, along with several other Ministers and Trade Ministers—Mr. Ernst will be there with me also.

We will be meeting once a day every morning for briefings from the chief negotiating crew. It will consist of the Honourable John Crosbie, who is the head person in the negotiating team. It is my understanding that the Minister of Finance and the Minister of Agriculture, federally, will be in that chief negotiating team.

In the briefing sessions clearly we will have an opportunity to know where the discussions are at, where the Canadian position is at, what we are receiving, what we are offering and be able to comment specifically on what we see as the pros and cons with regard to the Province of Manitoba.

I am sure that we will have a number of farm organizations with representation over in Brussels. The size of the overall Canadian delegation I am not sure of at this time, but I am positive it will be many people. I would assume that every province will be represented either by Ministers of Agriculture, Ministers of Trade or Ministers of Finance or producers. It will be a real cross section of agriculture in Canada.

Mr. Plozman: Does the Minister know the size of the Manitoba delegation besides himself and Mr. Ernst?

Mr. Findlay: As far as the Government delegation, ADM of Industry, Trade and Tourism, Mr. Dennis Cleve will be the only other person. There will be three of us from the Government.

It is my understanding there will be at least one producer from the Province of Manitoba. I say at least one, because I do not know if it is a full list. Mr. Bill Vaags, who is chairman of the agricultural SAGIT will be over. There could be more that I am not aware of at this point.

Mr. Plohman: Is the province funding the total delegation, or are the groups represented paying for their own costs?

Mr. Findlay: The province is only paying for the three of us from Government.

Mr. Plohman: Thank you for that information. It is of course important to be plugged into the process. It is such an important process. We have talked about that as being very important, although I think it has been overblown in terms of its impact right here at home, particularly in the shorter term. I think we agree that there is no panacea there. Even if there is a successful resolution, and we might put successful in quotation marks, who knows what that means at this time?

The fact is that even if we feel there is a successful resolution, we are not going to see a major impact on farmers in Manitoba within the next year or two or maybe even quite significantly longer. It may be that there never will be a major improvement in the price of grain and our ability to sell our traditional grain, No. 1 wheat and barley and all of the other grains that we have traditionally—or those two particularly—that we have exported.

It may be that our traditional markets will never return to the same degree that they were in previous years. It may in fact mean that because of Eastern Bloc countries moving towards democracy and the Soviet Union, particularly, that there will be some major changes in agriculture that take place. In fact, a lot of the discussions at GATT will be meaningless in a couple of years in terms of the world supply of grain and the markets that are available. Not meaningless—maybe that is an overstatement—but certainly not have the impact that one would hope they would have on the supply and the price internationally.

So there is uncertainty about that, and I agree with those who say that there is no magical solution here. However, there is still a desire to see the agricultural issues dealt with at the GATT talks. Does the Minister consider himself a hawk or a dove, or somewhere in between, insofar as a member of Canada's delegation? He is going to be in briefing

sessions in the morning, he is going to be one voice maybe out of 100. I do not know how big a group this is going to be. It might be a rather large group. He is still the Minister from Manitoba, and he has his colleague from Industry, Trade and Tourism (Mr. Ernst) there as well.

Would he, in fact, consider himself to be a hawk or a dove? I ask, insofar as pressing the federal Government to insist that agriculture be dealt with to our satisfaction or to some degree of satisfaction for the Cairns Group or for Canada, before any agreement is made on other primary interests, concerns to the Europeans and the U.S., particularly intellectual property which I understand has been virtually agreed upon and is something that is very important to the U.S. and the Europeans and in services, there are other areas, but those two in particular, that this Minister would insist that Canada not stay at the table and agree to those other categories of intellectual property and services if agriculture was not dealt with and was not coming to a conclusion?

I asked this before and the Minister said well, we do not want to walk away prematurely. I understand that. When it gets to the crunch, where does this Minister come down?

Mr. Findlay: Well, I think it is fair to say I have commented on this question many times in various speeches I have given over the past couple of months and analyzing the probability we will get some resolution or any resolution, clearly, I think we have to stay at the negotiating table until we see the final deal that is either to be accepted or rejected. I have a very strong position that we must walk away if it is not an adequate deal for agriculture.

I am also of the opinion that nothing else should be dealt with until agriculture is dealt with, and I believe that is the strength of our probability to negotiate with the Europeans in particular. It is my clear understanding that they very definitely want a resolution in financial services and intellectual properties and some of the other trade issue areas. There is a total of 15, all inclusive. That is our final bargaining chip, that if there is no deal in agriculture, there is no deal in anything.

That has been stated by many countries so I think there is a fairly significant resolve that it is agriculture or nothing. I think that will bring sanity to the final hour of discussion, that there has to be some reason everybody can walk away with some degree of

victory, some degree of compromise they can take home and live with. We are of that opinion, and I have not heard anybody in Canada say anything different with regard to how important agriculture is.

If we do not get a deal in agriculture, we say no to everything else. I have heard the Trade Minister say that so we will find out when we get there whether he is going to believe that till the final end.

* (1650)

We are also of the opinion that if there is a decision that we will set agriculture aside and we will deal with it later, that is a no-go. That is a no-go because it was set aside in the last round and it is still sitting aside. This round, the problem got so bad over the past few years, it became the No. 1 trade issue. If you set it aside, we will never get resolutions so it must be done there at the negotiating table. It is the only chance we are going to get that the countries in Europe, in particular, are going to give us any concessions that we can live with here, and really in the longer term what we are looking for is some restructuring, some common sense in international trade.

No, there will not be instant resolution, and I have constantly said that, that over the next five years it may see little or no impact. Hopefully beyond that we will see some impact, both in terms of market access and in terms of a respectable price return to our producers from the international market that will make our safety net mechanism work.

Mr. Plohan: I was going to ask the Minister about a hypothetical situation that could very well be a realistic situation. That is a desire to set aside agriculture and maybe postpone it a month or more or whatever, and ask that everything else be passed through. Of course, the Minister's position is, I think, the only position, the same position that Canada and other nations must take.

I am pleased that the Minister has taken that position, although he did say that he did not hear anyone else saying anything else in Canada insofar as the importance of agriculture, but I detected something a little different in some of the statements made by John Crosbie in some of the reports that were made in the Globe and Mail insofar as his statements seeming to differ from others in the Cairns Group who had stated that they insist that agriculture must be dealt with or they would walk away, and he is saying that we will not walk away under any circumstances.

I will see if I can get that as we move along—that quote, but that was of concern to me and I think it would be to other people. Perhaps he was misquoted, and perhaps he was just posturing and saying that he really wants this dealt with and he is going to stay at the table. But I gathered from that statement that in fact he would want to stay at the table and deal with other issues even if agriculture could not be dealt with to our satisfaction, and I certainly would think that has to be rejected by a Canadian delegation if that is his inclination, as it seemed to be in that one report that I received. I do not have a copy of it right here.

So I would at this time like to move on to another area in this section, Madam Chair, that is the one dealing with the interest-free cash advances. Briefly the Minister may have put forward some positions to the federal Government on this at the meeting in Winnipeg. The permanence of interest-free cash advances, was that discussed in the Winnipeg meeting, and if so was there any resolution of that issue and any undertaking by the federal Government to come back with some commitment on the issue of interest-free cash advances? Because we see what happened this year, how desperately that program was needed, and yet it is an ad hoc program. We are going to have to go through the same fight again next summer to try to get them to restore it again unless there is some action taken now, and they realize that it was a serious error that was made last year in changing the Act.

I am wondering whether the Minister is now pointing that out and saying to the federal Minister, you have to make this change and make it now, and announce it so that the uncertainty is removed. Or does he feel that this is all part of the safety net discussions and the tangled web insofar as contributions?

Mr. Findlay: Clearly, I would have to tell the Member that the deliberations in Winnipeg here were very intensely revolving around two topics, one was GATT and the other was safety nets. Very little else got touched. In fact, if I remember the meeting, the last 15 minutes, about four or five other reports got presented very quickly, because all the time had been used up.

Clearly, if the safety net mechanism is in place, the need for the industry cash advance will not be quite as significant as it is right now, because there may be a mechanism in it for early payment, if a

payment is absolutely going to happen. There is a mechanism to deal with that in the future. Again, it is an ad hoc program that, I think, the safety net mechanism will deal with on an ongoing basis.

In the event that there is need for it, on top of that, as an ad hoc program, or the safety net mechanism does not get up and running in '91, clearly it will be desperately needed again in the fall of '91. Our ultimate hope is that the safety net mechanism is in place and it looks after the cash shortfalls that farmers have throughout the course of the next year.

Mr. Plohman: I was making reference to John Crosbie's statements on November 6. He said that Canadian International Trade Minister John Crosbie was saying he will participate in any further Cairns deliberations, maintained Canada would not stay away from the Brussels meeting, and this is a quote, "but I can just tell you that there is one action that Canada is not going to take, and that is we are not going to withdraw from the Uruguay Round no matter what any other negotiating party in the Uruguay Round does." End of quote.

That is quite a sweeping statement, and it seems to be somewhat contrary to what the Minister's position is. That is why I asked him whether he would be hawkish on this when he gets to the meetings, in the actual situation. It seems that the predisposition of the chief negotiating Minister for Canada is to not walk out if agriculture cannot be dealt with.

Mr. Findlay: In terms of the context and realities one preposition is left out, and that is until the final deal is on the table. That is the position that the federal Minister of Agriculture, we discussed with last week, until we see the final deal, we will be there to see it. At that point, if it is not adequate from the standpoint of Canadian agriculture, then that is the time to walk.

Mr. Plohman: Final statement on this, I believe the Minister indicated that he agrees that there would not be perhaps major benefits to Canadian farmers within five years, or 10 years, as a result of some sanity being restored on the international level with regard to export subsidies particularly.

Yet his counterpart in Saskatchewan, Grant Devine, has been undertaking a number of public meetings over the fall period, and leaving the impression that the resolution to GATT was just absolutely critical to the farmers in Saskatchewan. Does the Minister take a somewhat different position, or would he characterize his position as

fairly close to the Saskatchewan Minister of Agriculture on this issue?

Mr. Findlay: Whatever resolution comes out of GATT will not be a panacea to solve all our problems. I think we can all agree to that. It is absolutely essential that we have some sanity—to use those words—return to international trade and to agriculture, the same sort of sanity that exists in most of our other commodities that are traded internationally.

It is only in agriculture we have this terrible trade war with subsidies used to hurt their competitors. It is treasury fighting treasury. That does not exist as far as I am aware to the same degree in any other commodity.

So it is critical to us, because if we do not get a resolution I believe that the use of export subsidies will probably escalate over time. I do not see why Europe would back away from the process they have started, because it works so well for them. If it extends to other areas, to other commodities, in the food sector, then I think we will be hurt and hurt and hurt.

So it is very critical to our long-term viability in the export market that there is some sanity there. It will not be the panacea to solve all our problems, but it is a very critical aspect of the overall package of trying to restructure our ability to meet the needs of today and the future for farmers in western Canada.

Mr. Plohman: That does not seem to take into consideration the kinds of statements—although I do not differ a great deal that it is advantageous, it is desirable to come to some resolution. In terms of its impact on Canadian farmers, it does not seem to take into consideration what is happening in eastern Europe and the Soviet Union and perhaps China in the future in terms of what impact this is all going to have on the price of grain.

* (1700)

It seems to me that it points to the need—and I do not know where the initiative is, the Minister must be struggling with this at some point in time—of where the dollars should be spent at the present time. Should they be spent into a massive program of diversification efforts for farmers for Manitoba producers to get away from the dependence on the traditional market of traditional grains? Diversification, so that they will not be dependent forever on such programs as the safety net and a third line of defence, because there is in the

foreseeable future not going to be any significant change because of the changes that are taking place in the world today in terms of production.

I ask the Minister whether in fact he has struggled with that issue and has attempted to put forward some programs to increase diversification at a fairly rapid rate in the next five to 10 years. This in fact has happened to some degree, and I guess the Minister could say to a significant degree in Manitoba, diversification of crops that we now have. Special crops that in fact we could have a significantly smaller dependence on those international markets and traditional markets than we have had over the last 10, 20, 30 or 40 years.

Mr. Findlay: Certainly over the last two and a half years that I have been Minister we have used that word, diversification, and the need to be more diversified in order to stabilize farm incomes and to deal with the fact that we cannot be wall-to-wall wheat forever. We have talked about it endlessly all over the place, and nobody objects. I think we do not need to take the position we have never done any of it in the past. We have done a fair bit of diversification over the past 15 years in this province, because we have the soil and the climate to do it.

We have a wide range of crops we produce. Certainly canola, going from rapeseed to canola and the crushing industry that has built up there, is very positive.

It is unfortunate that we have the difficulties that industry is facing right now which will probably limit its expansion for a little bit of time. We have roughly half—I guess it is fair to say maybe over half of the total flax acres in Canada are grown in Manitoba, a crop that is being reintroduced to the marketplace in many regards and is competing again very well. In fact, there is research going on which probably will show that somewhere down the line we will have linseed oil or—what is it called—linola. It will be an oil; it will also be a vegetable oil. There is market potential there.

We have done a considerable amount of expansion in forage seed, grass seed, alfalfa seed that is exported all over the world. In fact, 95 percent of what is grown here in the province of Manitoba is exported outside of the province. There is certain region—pick the Eastern Region, Interlake Region, that does very good at that.

We have the capacity, particularly in the Member's area around Riding Mountain that is very good in growing alfalfa. Alfalfa pelleting and the exporting of pelleted alfalfa is another opportunity. -(interjection)- Pardon me? It is an opportunity that has been developed, and certainly more and more acres are going into alfalfa in that area.

Livestock—the growth of the hog industry has gone on very well through the 1980s and there is no question—there is every reason to think it will go on through the 1990s. If we can get away from countervail action against us, it will be another reason to continue the growth.

The cattle industry, particularly the cow calf sector, is a good industry. It returns good money to the farm communities in a good, natural diversification for grain farms. There are certain regions of the province where we have a lot of pasture land, low grade land, low cost land, that does a very good job of raising cows and calves. So, we have done a lot of those things and, clearly, anything and everything we do in the department—and I say right down to getting into a safety net program—we have to be very careful that we do not put any disincentive in place to diversification.

That is something I have talked about over and over again throughout the safety net discussion. It must not be farmable. It must not stop a farmer from making the right decisions and responding to the marketplace. The marketplace is putting clear signals. There is maybe a potentially shrinking market for wheat and the price you are going to get for it is going to be tough to survive on, so get into something else—clear signal there.

Yes, everything we are doing—and I think it is fair to say that every Government in western Canada believes that diversification has to be followed. The federal Government believes it. The agri-business industry believes it. All working together we will be able to find markets, find crops we can grow here and get to a position of having less and less dependence on wheat, in particular, but definitely less and less dependent on exporting food grains.

Mr. Plohman: Certainly some other provinces require more emphasis than even Manitoba. Saskatchewan is in really desperate trouble, I think in the future, because of their reliance on wheat. I see, looking at the report for Manitoba Agriculture Review in 1989, that we have a significant

percentage of many of the crops produced in Canada: wheat, barley, oats, rye, canola. Flax seed we are almost 50 percent; sunflowers, 90 percent; buckwheat about 45 percent; field peas about 30 percent; sugar beets, 40 percent; lentils, not too much. There is no mention of potatoes, and that is classed as a vegetable.

Can the Minister talk about the potential for any of those that I have mentioned or other vegetables that are viewed as having some of the greatest potential? I know that Carnation wants to expand their operations and with proper irrigated land, perhaps would be willing to do that. Is that in the active stage at the present time?

Mr. Findlay: No question that the vegetable industry is a significant other example of diversification. The vegetable industry has some strong leadership, and they are going to do some good things in the future. I can just report this past year they have done a pretty good job of accessing the American market to the south of us. They have taken some loads down there and had a very good response from the retailers down there. So there is a market potential there. They find they can be quite competitive with their competition out of the State of California in the summer season.

With regard to potatoes, it is clearly just another example of a real opportunity for the Province of Manitoba. When I was in Japan almost a year and a half ago now, we ran into McCain's French fries that were being sold there. McCain has done an excellent job of penetrating that market. Our French fries are recognized as being the highest quality they can access anywhere. If there is any country that puts a high accent on quality, it is Japan.

The product coming out of Manitoba meets that test very, very well because of whatever reasons. Whether it is soil, climate or varieties, or a combination of all of those, we produce the highest quality French fries from the potatoes grown in Manitoba. It is a well-recognized fact. McCain and Carnation are two good processors who found markets all over the place; particularly that Pacific Rim market is a real growth market.

Both companies have talked about expansion. In fact, Carnation has already gone through an expansion not too long ago. Both of them want to expand acres but there is one thing they have some difficulty with in Manitoba and that is constant continuous supply. If they contract X acres, they

want to know at the end of the season they will get Y tons off those acres because they have already sold Z amount of French fries. So they have to run the system with some continuity.

When they showed us figures of pounds of production per acre, comparing the various locations in North America, our pounds of production per acre are not really all that high in comparison to other people. Year-to-year variations are greater here than elsewhere. It is very clear that we need to have more irrigation potential available so that our existing potato producers can have irrigation to have constant supply and to be able to expand the acres under production with irrigation.

That is the reason why in the throne speech we made statements that we are going to have an irrigation strategy to promote agriculture production in Manitoba. It is really designed for the potato industry because you see everything there—production, processing on the jobs related and a market that is a very good market, a market we can depend on for a long period of time. That is why irrigation is important to us, and that is why knowing our water reserves and how we can use them in an environmentally sound way is very, very important.

* (1710)

Within Government we formed an interdepartmental committee consisting of Agriculture, Rural Development, Industry, Trade and Tourism, Environment and Natural Resources to work with whomever in that direction. There is obviously going to be a need for a bit more research and certainly the companies have shown some interest in doing some research. It is how you put the package together—use of irrigation with fertilizer and varieties to maximize our production and stabilize our level of production, year in and year out, regardless of the rainfall.

Mr. Plohman: Madam Chair, does the Minister have a date for a report from that committee on the strategy for irrigation?

Mr. Findlay: No, we do not have a date for a report. It is an ongoing process and hopefully some action can be started for '91, but it is an ongoing process for some period of time.

Mr. Plohman: The Minister said that the last meeting of the Ministers of Agriculture did not have much time to get into other issues other than safety net and GATT. Did the issue of the need for debt

restructuring get on the table in the context of the discussions of safety net?

I know that this is a particularly serious problem in Saskatchewan as opposed to Manitoba, although I believe it is significant in Manitoba as well for younger farmers, but I know that Saskatchewan is going through a very critical time.

Was this issue discussed in any depth at all at the meeting? Is there any move to look at the whole issue of moratoriums or write-downs as a general policy or concept of set-asides of debt and so on? Were any of those solutions looked at as viable in any way?

Mr. Findlay: The issue of debt restructuring was clearly an issue that was part of the discussion as to how the federal Government should look at any approach it takes in the ad hoc response for next spring that they will be reporting in February, and how they might be able to do something in the debt-restructuring side of the issue.

Mr. Plozman: So does the Minister have a specific time line that he can reveal to us in terms of providing some insight as to how the federal Government might deal with that? Is that something we could expect at the February meetings?

Mr. Findlay: They have indicated they are prepared to make some response at that time and we will certainly be doing our homework to work with them in the process of what we might expect here in the Province of Manitoba.

Clearly in this province there has been a very active process of debt restructuring through the Manitoba Mediation Board. It has been ongoing for some period of time and I think we are seeing the results of that.

Some of the figures we gave out yesterday in MACC show that the overall picture out there is improving somewhat. Not everybody is leaving the farm. Many people are staying there and they are able to meet their commitments though the financial advice they get in that restructuring process, and if they follow that advice and manage their farms in that direction after that process is completed, they will survive this period we are in.

Mr. Plozman: So the Minister feels that mechanism is doing the job and has served a very valuable purpose in the province, is that right?

Mr. Findlay: The process is as good as the people who are there on the board and who act as panel

members and as employees of the Mediation Board. It is as good as their capacity and they have learned a lot over the past two years. The fact that we were able to structure four programs of financial assistance has certainly met the test of time.

Mr. Plozman: Does the Minister feel as a result of the Debt Review Board and the Mediation Board that Manitoba farmers do not need a major initiative of debt restructuring by the federal Government at this time in terms of whatever it might be, a moratorium or a particular Act dealing with debt write-downs in a general way. In other words, is the problem one that the Minister does not feel is as serious as it is in Saskatchewan?

Mr. Findlay: Clearly, I think it is fair to say that it is not as serious in Manitoba overall as it is in Saskatchewan. Whatever they are going to propose, if they propose anything, is of help to Manitoba. We will only be able to know when we see what they are prepared to propose. There are probably several options available to them, but I think Saskatchewan has in mind some money to be used in debt restructuring if that was available. Actually, we will be making that case for the use of the same here.

Mr. Plozman: I take it from the Minister's answer that he has not been the province leading the concerns on this issue. It has been, in fact, other provinces. Any other provinces besides Saskatchewan?

Mr. Findlay: Saskatchewan has certainly taken the lead because of the severity of the situation out there. In terms of being able to show that you can restructure debt and deal with tough solutions, I think Manitoba can stand up and say, we have taken a lead in that process of what we have done in the last two and a half years here.

Mr. Plozman: Is that viewed as a substitute for any injection of money to allow debt restructuring to take place? Is that being used by the Minister then as saying to Saskatchewan, see, this is how it is done. This is how you should do it, and there is no need for any massive injection of funds. I would think that the Minister might be misrepresenting the situation if he were to take that position. I perhaps am misreading the Minister's answer.

Mr. Findlay: No, I have not taken that position. As I said earlier, if there is money available for debt restructuring in Canada, we will be making our case

for that portion that would be necessary to be used in the Province of Manitoba.

Mr. Plohman: Does the Minister feel that there is a serious potential problem with young farmers insofar as the figures that FCC released? I do not know if that is general across the province that the average debt for a young farmer is some \$175,000.00. With the interest rates the way they are and without ad hoc programs being in place, and MACC having rather a small percentage of the total lending portfolio; without having the Interest Rate Relief Program that was put in this previous year by the Minister for operating loans only, the problem would be even more acute.

Does he not feel that even on long-term debt, \$175,000 on average—if that is an average, a good average. That is the figure the FCC used. I do not know if that is the figure that would be relevant right across the board. If the average young farmer is carrying debt of \$175,000 on long term, that is a tremendous burden. No matter what kind of a safety net you put in place, those farmers are going to continue to be sucked down because of that tremendous debt. That is why we believe that without having some solution to the issue of debt, it does not matter what happens with the safety net. We are still going to have a lot of problems with farmers struggling just to meet interest payments in the next 10 years or so.

Mr. Findlay: The figure for the average debt for a young farmer—it may sound high at \$175,000, and that is a fairly significant debt. If you are into farming and you own a bit of land, or you have a building that you are producing pigs in or chickens or whatever, it does not take long to run up that sort of capital expenditure, whether it is in land, buildings, machinery or in an operating loan, a combination of all. The long-term loans that farmers have, some of them if they have got them in the appropriate period of time, have some interest rates that are supportable and payable. If you get them at the wrong time, naturally interest rates are high.

* (1720)

The foreseeable future, with regard to interest rates, there probably is not very much reduction in sight. Clearly, the real cost of money is a significant burden for agriculture. You know, when you look at what is happening overall in this country, the high interest rate policy designed to fight inflation never happened here. In fact, we had anything but inflation

over the past three or four years in the agriculture economy of western Canada, yet we paid the price. We paid the penalty. Along the way, when we had the high interest rates, we had a high dollar policy which reduced the value of what we exported. We got hit both ways. We had the higher costs and the lower income, something we have talked about for a long time, but nothing much changed in the Canadian context. We have been hurt both ways. There is no question.

It is well known, and that is why I go back to what I said earlier this afternoon, when you put out an interest rate assistance program, everybody is hurting in agriculture. No matter where you are at, in terms of whether you have debt or you do not have debt, everybody is hurting for those reasons. There is no question we have a problem.

You know, when I looked not too long ago at the percent of farmers under 35, it has not changed from what it was 20 years ago. There is still a lot of young people coming into farming. A lot of them are coming into farming on a part-time basis or with a father, or they are coming in with some livestock, which helps to allow them to get into the business without as big a capital debt as buying land has turned out to be.

There are certainly—the programs that we have in MACC and the Young Farmer Rebate being approved, the net worth ceiling being raised, and Guaranteed Operating Loan are all designed to assist exactly those people to get into the business of farming.

FCC, you mentioned them as creating figures. FCC is not a big player in farm lending right now because their interest rates are too high. They do not care to take a risk on the same group of farmers we are taking a risk on.

We are working with the right group of farmers for the future of the province of Manitoba. We are looking forward to what FCC is going to do in the future. Are they going to broaden their mandate and try to help more of those who really need some help, or are they going to carry on really competing with the banks for the better loans?

Mr. Plohman: In that regard, I think the Minister should be doing everything he can to have the federal Government move FCC into a more general mechanism for providing assistance to farmers along the lines that MACC is doing at the present time, and coming forward with some programs

similar to the Young Farmer Rebate and other loan guarantees that the MACC has put in place.

We have asked the Minister to try to influence the federal policies in that area through his federal colleagues from Manitoba, the M.P.s and Ministers and so on, because I believe that is critical in this whole discussion of debt restructuring and the issue of the financial health of our farmers in Manitoba and western Canada generally. I would urge him to be aggressive in that area.

As far as the Farm Lands Ownership Board in the same section here—I am just moving on because we are getting to the point where we will want to see some movement toward completing the Estimates—I have spoken to the Leader of the Liberal Party (Mrs. Carstairs) and she has indicated that she has more or less completed her questioning. My effort would be to complete the Estimates by six o'clock, and we have a lot of areas to pass very quickly.

This is, of course, in the true spirit of co-operation that is needed in order to have Britcher get a new quota entitlement over near Grandview and Roblin there. The Minister of Natural Resources (Mr. Enns) is looking on and is writing it down. Of course, in order to have sanity prevail with regard to Acts being introduced in the Legislature that might prolong the Session, all of these things should all come together so that we can move things along before Christmas and get on to the proper cycle for Estimate discussion perhaps in early March, something that I would like to see for the Minister's benefit -(interjection)-

Well, it all comes back to that, does it not? -(interjection)- I understand there is going to be one of those days coming up. I would think that the Members all would want to boycott such a thing, but I am sure there will always be a few trickling in.

I wanted to ask the Minister about the Manitoba Farm Lands Ownership Board. Just a brief overview of the board itself and its activities, is it serving any useful purpose in preserving land for Manitobans as was envisaged initially by the previous Government when it was introduced? I know the Minister—I am not sure if he was in Opposition at that time personally, he may not have been, but his colleagues vehemently opposed that Bill. Is there any intention of rescinding that legislation, or is the Minister quite happy with the way it is working? I notice a little reduction in the expenditures. One of

the staff persons has been removed. What are the Minister's views on that operation at this time?

Mr. Findlay: Madam Chair, over the course of the last two years there has been a fair bit of input to me from producers with regard to The Farm Lands Ownership Act and the way it functions. The Member says, well, is it protecting Manitoba farm land? Really, the kind of input that I get is from those that are older farmers thinking of retiring. They want to do away with the Act. They want to sell the land for the highest dollar, and they think the more bidders that might be in the system, the better the dollar they will get.

I also get input from the younger farmers who say keep the Act, because they want to keep some of the bidders out so that they can buy the land cheaper. I am like the Minister of Natural Resources (Mr. Enns); I am with my friends. -(laughter)-

An Honourable Member: We better count your friends to see how many there are.

Mr. Plohman: Madam Chairperson, we would like to, I think, find out more definitively where the Minister's friends are, and who they are. It seems to me that if he is with his friends he should be with the younger farmers in this case whom we want to keep on the land. We want to promote having more young families in rural areas maintaining the rural way of life in our rural communities.

If the Minister wants that, then obviously he would want to do everything possible to promote that. One of the aspects of it might be insuring that land is as reasonably priced as possible if that is one of the spin-offs of The Farm Lands Ownership Act, which it probably is, that it does moderate the prices, although I would not blame it—and the Minister may have a different opinion—on the fact that the prices of land dropped significantly over the '80s perhaps in Manitoba. I do not believe The Farm Lands Ownership Act had a great deal to do with that, but it may have some influence. That is my opinion; I do not know what the Minister feels.

But, certainly, I would encourage him to listen to what young farmers are saying if that is the case insofar as this Act.

* (1730)

Mr. Findlay: I think it is fair to say that we on this side believe that the future is with the young farmers, and anything that can be done to facilitate their ability to enter the business probably has to be deemed as a support and a help. I say the spinoff of

this Act seems to be in that direction. The perception out there is more in the direction of it keeps a cap on land prices because it keeps some potential bidders out.

In the process of running the Act, many people know they do not qualify and probably are just no longer coming forward and trying to get an exemption. There are all kinds of unique cases that do not fit the definitions in the Act. They come forward and apply for exemptions and they get the exemptions. If it is deemed by the board that it is a peculiar enough circumstance, it does qualify for them to own land.

Mr. Plohman: Madam Chair, would the Minister indicate whether he is planning any changes to the Act, or whether the board is having no difficulty interpreting and in fact applying the Act at the present time, and if they are satisfied with the way they are able to apply it?

Mr. Findlay: From what I see, I believe the board is able to make decisions appropriately in the interests of what is good for the Province of Manitoba in the total context. Naturally we want to see investment in the province, and we want to see investment made in a way that is beneficial to the province in a variety of ways.

Certainly I think the Act is working the way the board is running it—quite appropriately for the industry at large—and keeping a cap on the speculative aspect on land.

Mr. Plohman: I wonder if the Minister could very quickly just tell us how many applications were received by the board this past year, how many were disposed of favourably for the applicants, and how many were rejected? Does the Minister have that information?

Mr. Findlay: There were 199 applications for exemption. We do not have the figure for how many were withdrawn because they saw they were not going to achieve their exemption, but as it ended up, none of them were denied.

Mr. Plohman: Perhaps that is why the Minister said the Act is working so well and that everyone who is coming forward is being approved. It would be of some concern if in fact there were some stretching of the limits that were outlined in the Act. Of course, I would not know that without reviewing each individual case.

It seems the policy of the Government, then, is to allow the sale in all cases, and unless the Minister

is correct, that those who do not think they are eligible just are not coming forward. It seems rather unusual to see that none are rejected, and I think that is something that we will want to explore with the Minister in greater detail some other time.

Also, just to ask the Minister whether he has any plans with regard to the Mediation Board and that Act governing the Mediation Board insofar as changes in the upcoming legislative Session, does he contemplate any changes in its operation?

Mr. Findlay: In terms of the legislative changes, no, but the good news is that the number of applications right now, compared to a year ago, is down 30 percent. So that is the good news.

We would hope over time the use of the Mediation Board continues to decline because it means that the farm economy is improving and there are less and less farmers in difficulty. It had been running about 300 cases per year and now it is down.

Mr. Plohman: I would like to mention to the Minister that his representative on that board from Dauphin is a pretty good politician himself. Is it Dan Dower? He came in to see me, and reviewed the activities of the board at his own initiative. I thought that was a very good move on his part. I appreciated it.

An Honourable Member: Did you say thank you?

Mr. Plohman: I said that, yes. He offered his assistance anytime if I have inquiries, or anything like that. I think that if that is a reflection of the Minister's policy, to encourage board members to do that, that is good. If he did it on his own initiative, that is even better. I was pleased that he did.

I am prepared to pass through this section, and move on to federal-provincial agreements.

Madam Chairman: 6. Policy and Economics Division (a) Administration: (1) Salaries \$98,600—pass; 6.(a)(2) Other Expenditures \$15,900—pass.

Item 6.(b) Economics Branch: (1) Salaries \$638,700—pass; 6.(b)(2) Other Expenditures \$122,900—pass.

Item 6.(c) Manitoba Natural Products Marketing Council: (1) Salaries \$164,000—pass; 6.(c)(2) Other Expenditures \$40,200—pass.

Item 6.(d) Milk Prices Review Commission \$29,900—pass.

6.(e) Manitoba Farm Lands Ownership Board: (1) Salaries \$104,100.

Mr. Plohman: The staff position there, what activity has been removed as a result of the removal of that position?

Mr. Findlay: What occurred was the manager and the inspector were converted into one position. There used to be a position for manager and a position for inspector. Now, the duties are combined into one position.

Madam Chairman: Item 6.(e) Salaries \$104,100—pass; 6.(e)(2) Other Expenditures \$33,700—pass.

Item 6.(f) Agricultural Research: (1) University of Manitoba - Grant \$875,500—pass.

Item 6.(g) Manitoba Farm Mediation Board: (1) Salaries \$249,700—pass; 6.(g)(2) Other Expenditures \$500,900—pass.

* (1740)

Item 6.(h) Certification Agency \$15,000—pass.

Resolution 11: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,889,100 for Agriculture, Policy and Economics Division for the fiscal year ending the 31st day of March, 1991—pass.

Item 7. Federal-Provincial Agreements \$1,728,000 (a) Agri-Food Agreement \$800,000—

Mr. Plohman: I asked the Minister about this agreement the other day, and he was more comfortable with discussing this agreement at this time as opposed to at the time we were raising it.

I had asked the Minister at that time about the expiry date. He said it had been extended, and I do not believe that—in fact it had been extended; it was—well, there was some confusion. Eventually, I believe we came to the conclusion that it was the date that previously had been the final date for expenditures of money. December 31, 1990, became the final date for approval of projects. Expenditures of dollars could extend some time past that point. Does the Minister have the date when dollars will cease flowing under that agreement?

Mr. Findlay: Yes, this is the same statement I made yesterday that all the project work must be completed by the end of December of 1990. If there is some money that still cannot be flowed before the end of December, it can still be done before the end of March, but all the work must be completed on the projects by the end of December 1990.

Mr. Plohman: Madam Chair, there was \$38.3 million in that agreement. Does the \$800,000

represent the final amount, and will the agreement then be fully expended?

Mr. Findlay: I do not have the exact figure, but the agricultural component of the agreement will be basically 100 percent spent. There will be very little left. There is a component in Natural Resources, but the agricultural component will be totally spent.

Mr. Plohman: Madam Chairperson, could the Minister indicate what the \$800,000 that is in this budget will be used for in this fiscal year? Is any portion of that going to the Pelican Lake project or is that all dollars ministered through Natural Resources?

Mr. Findlay: The Pelican Lake project is all through Natural Resources, but the projects totalling \$800,000 are crop production transfer technology; crop production and evaluation; livestock and forage production technology, soil management research; soil conservation and management; farm management extension education; farm management decision-making aids; and administrative analysis and evaluation. That totals our \$800,000.00.

Mr. Plohman: Will those activities be undertaken to the same degree they have in the previous years, that were outlined by the Minister while that agreement was in effect?

Mr. Findlay: It was between years, because some of the projects that had been ongoing were completed and these are just in the completion phases, so the degree of activity in each of them would be different this year relative to previous years.

Mr. Plohman: The Minister talks about management functions and so on, assistance that was offered through this agreement. There is a number of other programs he listed. Is the Minister saying that those are all going to cease to exist following this fiscal year because the Minister has failed to negotiate a successor agreement on this area? He does have a soil conservation, so I would expect those aspects of the Agri-Food Agreement to deal with soil conservation may be carried over if there is a need to in the new agreement, but there are many functions there that would not fit under soil conservation. Is it the Minister's intention that those services will cease to exist effective March 31, 1991?

Mr. Findlay: Certainly many of the soil-related activities here are going to be ongoing in some

fashion under the Soil Conservation Agreement. A lot of the projects that were undertaken under the Agri-Food were technology transfer projects that were run for a period of time and their lifetime is over; the job has been done. The area where we have some difficulty in is the crop testing, the zonation, plots, some 13 across the province, and the seed potato multiplication, forage seed evaluation. Those projects we are still trying to find a vehicle and a mechanism to continue because they are very important to the long-term data base for decision making and for comparing varieties for farmers in the Province of Manitoba. We are still working trying to find a mechanism of getting federal support for those programs.

Mr. Plohman: Madam Chairperson, that is a very important area of testing, and I would ask the Minister whether it is his intention to pick up those costs totally by his department if there is no success, or can he report on the status of the negotiations or discussions on any other agreement that might be currently in the making between the federal and provincial Governments?

Mr. Findlay: Naturally our preferred position is that the federal Government participates in some meaningful way with these programs and continues them. The other way to look at it is whether we can afford to continue to run them in some revised fashion. What it means is scaling down or whatever it means to be able to continue to have the variety testing that is necessary for the province. Crop adaptation trials were certainly expanded over the past 10 years, expanded significantly and generated a lot of good data. If the federal Government is not going to participate, we will obviously be into some mechanism of scaling down the number of trials that can be run across the province.

Mr. Plohman: That is a serious concern, I believe, in terms of the future of the development of crop varieties in the public sector. I would like to ask the Minister whether he has been given any rationale by the federal Government for not wanting to fund something as important as that?

Mr. Findlay: In terms of the staff discussions that have occurred, the federal people are clearly indicating that they understand the importance and necessity of them to continue, but they have not matched dollars to that statement.

Mr. Plohman: Would the Minister agree that this is particularly important with plant patent legislation that has been passed in the last year and so on, that there will be more of this being done in the private sector and that it is important to have an activity in the public sector available to all producers in the interests of agriculture in this province, and that this is a step away from public involvement in testing of varieties that could very well be harmful, if indeed most of this work is carried out only by the private sector?

* (1750)

Mr. Findlay: The Member used the wrong words when he said plant patent legislation, it is Plant Breeders' Rights that was passed and quite a different situation.

Clearly the need is here for testing of varieties regardless of that legislation. It has nothing to do with the need for testing varieties and we need to have those varieties tested right here in Manitoba and not somewhere else in the country, and it is our fervent desire to be able to continue that in some fashion.

We certainly are hopeful that there will be some significant federal contribution in that process, and I am somewhat encouraged by the fact that they recognize the need. We have a good data base built up over the past number of years and that absolutely needs to be continued because there is a continuous onslaught of new varieties coming up and wanting to be tested and have to be tested.

Even in the testing process that has been ongoing, varieties do come through that look good in the testing plots but when the farmer starts to grow it in the commercial sense, they just do not meet the test of time.

So if we do not have that screening process, even more varieties will get into farmers' hands that are not properly evaluated and then the farmer ends up doing the evaluation over time.

It does not matter what crop we are talking about, flax, rape, wheat or barley, there are really a large number of varieties coming forward from the public institutions primarily at this time, of course, and lots of varieties for testing and lots of potentially good varieties for feed, food, or vegetable oil.

Mr. Plohman: I just want to make the point on the record that we certainly want to favour increased research on the plant varieties and so on in the future through public institutions such as the

universities and funding research. Research funding should certainly be increased in that area.

The reason I mentioned the breeders' rights—I used the wrong term—Plant Breeders' Rights as a concern is that a lot of this activity will be taken up by private companies who will, of course, sell their varieties, sell chemicals and fertilizers and so on that will work well on their varieties and so on. They will tie up the market and it may be very difficult for farmers in the long term in terms of the costs.

So it is important that the public sector be active, and I urge the Minister to ensure that continues because of the potential for cornering the market by some large companies which, with modern technology, can cut through years and years of patient research that was required in the past, in a matter of days or months with the modern computerized and gene manipulation technology at the present time.

I would, at this point, be willing to move forward as we near the end of the hour.

Madam Chairman: Item 7. Federal-Provincial Agreements (a) Agri-Food Agreement \$800,000—pass; 7.(b) Soil Conservation Agreement \$928,000.00.

Mr. Plozman: I had asked the Minister for the addendum, or the supplementary to the agreement. I was waiting to see if he was going to offer it up before it was too late. He did not do it until I asked again. That is a mark I am going to have to put on the wall.

Can the Minister indicate what brought on this amendment and the additional dollars, I believe up to 18.9 from 11.8? Can the Minister indicate what triggered an additional expenditure in this agreement?

Mr. Findlay: Initially, the federal Government had \$75 million to be used across the country, and different amounts were made available to each province. As it turned out, some money was left, it was not all picked up by the various provinces, it was there to be picked up. For 50 cents you could pick up a dollar of activity, so we went after it and got it.

Mr. Plozman: Can the Minister provide, at the earliest opportunity, a copy of the work plan under this agreement for the various regions? I would particularly be interested in the Northwest Region. I would like to, if they are available, have copies of those so that we have an understanding of the kind

of work that is being undertaken under this agreement.

Mr. Findlay: Yes, we will supply it.

Madam Chairman: Resolution 12: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,728,000 for Agriculture, Federal-Provincial Agreements for the fiscal year ending the 31st day of March, 1991.

An Honourable Member: Did we pass (b) already? I think that I interrupted you? You did not pass (b).

Madam Chairman: It was my understanding it had passed.

An Honourable Member: That is fine, as long as it is done right.

Madam Chairman: Thank you.

Shall the resolution pass—pass.

Item 8. Income Insurance and Support Program \$11,317,800 (a) Administration.

Mr. Plozman: We are out of time, and we will want to enter into a detailed discussion on the whole issue of tripartite in the future. It is not to say that this is not a very important area, and of deep concern and of interest to the official Opposition. So I will be raising this in detail and in the next set of Estimates.

Madam Chairman: Item 8.(a) Administration \$623,300—pass; 8.(c) Tripartite Cattle Stabilization Plan \$1,664,000—pass; 8.(d) Tripartite Hog Stabilization Plan \$6,401,700—pass; 8.(e) Tripartite Sugar Beet Stabilization Plan \$473,600—pass; 8.(f) Tripartite Bean Stabilization Plan \$344,800—pass; 8.(g) Tripartite Lamb Stabilization Plan \$15,500—pass; 8.(h) Tripartite Honey Stabilization Plan \$204,500—pass; 8.(j) Tripartite Onion Stabilization Plan \$21,200—pass; 8.(k) Livestock Development \$1,569,200—pass.

Resolution 13: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,317,800 for Agriculture, Income Insurance and Support Program \$11,317,800 for the fiscal year ending the 31st day of March, 1991—pass.

Item 9. Drugs and Semen Purchases \$7,290,700—pass.

Resolution 14: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,290,700 for Agriculture, Drugs and Semen Purchases, \$7,290,700 for the fiscal year ending the 31st day of March, 1991—pass.

Item 10. Emergency Interest Rate Relief Program \$1,500,000—pass.

Resolution 15: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,500,000 for Agriculture, Emergency Interest Rate Relief Program \$1,500,000 for the fiscal year ending the 31st day of March, 1991—pass.

Item 11. Manitoba Interest Rate Assistance Program \$23,360,000—pass.

Resolution 16: RESOLVED that there be granted to Her Majesty a sum not exceeding \$23,360,000 for Agriculture, Manitoba Interest Rate Assistance Program \$23,360,000 for the fiscal year ending the 31st day of March, 1991—pass.

Item 1.(a) Minister's Salary \$20,600.00. Shall the item pass?

I would ask the Minister's staff to leave the Chamber.

Item 1.(a) Minister's Salary \$20,600.00. Shall the item pass? -(interjection)-

Resolution 6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,988,100 for Agriculture, Administration—

Mr. Plohman: Did you finish the Minister's Salary?

Madam Chairman: Yes.

Mr. Plohman: I was standing waiting—

Madam Chairman: I am sorry.

Mr. Plohman: Madam Chair, I understand that some of these things sometimes take place inadvertently, that we miss when everyone is standing at attention, hoping to have the Minister's department completed. I want to just keep the suspense going for a very short time.

I was actually thinking about making a motion that would tie his salary to the price of a bushel of wheat, so in fact he would have some incentive. I recall having a motion made that my salary should be reduced to one Saudi riyal. I also had it reduced to the price of one yard of asphalt, something to that effect.

I think it would be appropriate, especially since the Minister is on his way to the GATT talks in Brussels, that his salary would be tied to the price of grain. If

it was, he would certainly have an incentive to ensure that there is success there at the talks.

I want to indicate to the Minister that because of the interests of co-operative Government, on the part of the Opposition, we will not be making that motion this afternoon, although we think it is somewhat warranted. We will be looking forward to the Minister's return from that conference and perhaps a report. I was disappointed that he did not give us a report on the ministerial meeting that was held in Winnipeg, and I believe it would be beneficial.

I know that the present Government does not like to make ministerial statements too often because as the previous Government found out, under most circumstances when ministerial statements were made, the Opposition used it as an opportunity to tie into the Minister in all the things he has not been doing. I promise that I will do exactly that if he makes a ministerial statement. I would like to see a report from the Minister on the progress, because it is a substantial and important issue.

We will look forward to an opportunity to look in greater depth at the Minister's Estimates perhaps in a few months if all goes well for the closure of this Session. We can get on to the cycle of dealing with the Minister's Estimates before they are spent, as opposed to after they are spent. We look forward to that opportunity.

Madam Chairman: Item 1.(a) Minister's Salary \$20,600—pass.

Resolution 6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,988,100 for Agriculture, Administration and Finance \$2,988,100 for the fiscal year ending the 31st day of March, 1991—pass.

Order, please. The hour being past 6 p.m., committee rise.

Call in the Speaker.

IN SESSION

Madam Deputy Speaker (Louise Dacquay): The hour being past 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

Legislative Assembly of Manitoba

Tuesday, November 27, 1990

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