

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 13 May, 1985.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - BUSINESS DEVELOPMENT AND TOURISM

MR. CHAIRMAN, C. Santos: The committee, please come to order.

Just before we broke up, a point of order was raised when the Member for Pembina interrupted the Member for Inkster. Under our Rules when a member is speaking, no member shall interrupt except to raise a point of order. Differences of opinion are not a point of order. A dispute as to the existence or non-existence of factual information is not a point of order either.

Rules, Orders and Forms of Proceedings of the House in the Appendix, Page 65, defines a point of order as ". . . questions raised with a view to calling attention to any departure from the Standing Order or customary modes of proceeding in debates . . ." "In other words, a point of order relates to any deviation from the Rules of Procedure.

As I have stated, a matter of difference of opinion or a dispute as to the existence of fact does not constitute a point of order, so I rule.

Mr. Minister.

HON. J. STORIE: Yes, thank you.

The Member for Sturgeon Creek was making a point earlier this afternoon with respect to the modest increase in tourism advertising on the province's behalf and we were discussing the relative impact of increases in advertising. He made the point that Saskatchewan had undertaken a pretty major initiative in terms of tourist advertising in 1984, and over the break I obtained some statistics that show that where, in 1984, we actually had an increase in traffic from the United States. Saskatchewan and Alberta both experienced decreases in traffic.

So (a) the question about advertising, I think if you look at the statistics tends to lead us to the conclusion that our advertising, our targeting has worked; and (b) it leads to the conclusion that the concern expressed by the Member for Minnedosa about the impact of the conflicts that have occurred, relative to our relationship with North Dakota, have not been detrimental. If you look at the fact that Alberta and Saskatchewan have experienced a lower volume of traffic from the United States, I think, you'd have to draw that conclusion.

MR. CHAIRMAN: The Member for Inkster.

MR. D. SCOTT: Thanks very much.

Mr. Chairman, just to finish off some of my commentary earlier and picking up on a slogan for the new federal-provincial agreement of "Go World Class," I think before we adjourned this afternoon, I was trying to make it a point that Manitoba is world class and

the heritage that we have, and a natural heritage that we have in this province, is nothing but world class. The Member for Arthur is absolutely right; we don't have enough ecological sites designated yet.

Now, one of the reasons for that, and one of the reasons that this department and this agreement concentrates on sports angling, wilderness adventures and a natural self-education is because Manitoba is quite unique in that the natural regions of this province, we have 12 natural regions in the province. I'm not sure if any other province across the country has that diversity or not. It runs all the way from the Northern tundra right down into the Turtle Mountain area and tall grass, short grass, prairie Parkland regions, the Interlake, you name it, we've got it, even the boreal forest, especially along the eastern part of the province. That's a unique resource and I'm glad to see that we are attempting to take advantage of that resource, but as the Minister said previously, we have to do it in a very balanced way so that we do not spoil the resource that we're trying to use as our primary attraction for tourists of the province.

As a point - and my final point as to just how critical matters are, we hear references quite frequently from people, even on my side unfortunately, who talk about Manitoba being three-quarters wilderness, so what do we have to worry about the rest of it for? I was speaking last week with some people from the World Wildlife Fund and I wanted to find out about some background, a statement that he had made earlier of the endangered species, and this is just birds and mammals that I'm referring to. It does not include the habitat, the different habitat types and . . .

MR. CHAIRMAN: Order please. May I remind all members that speeches in the Committee of the Whole House must be strictly relevant to the item under discussion, under Rule 64(2).

MR. D. SCOTT: I am, Mr. Chairman. I think I'm being quite specific and probably more specific than many of the members opposite in their commentary, because we're talking about tourism and I'm talking about the impact of tourism on the basic resource that we're trying to draw tourists here to observe.

When we're looking at Manitoba, Manitoba has over 50 percent of all the endangered species of mammals and birds in this country and so it's that much reason I raise this is because it makes it that much more critical, that when we are developing and increasing tourism in the natural regions of the province, that we be exceptionally careful so that we do not, in fact, contribute even further to increase the number of endangered, threatened, rare or extirpated species that we already have in Manitoba, because, as I said, out of those types of species, there's - I forget the total number of them - 25 species in Manitoba that are already extirpated, rare, endangered or threatened, and that is over half of the total species in the whole country.

So I feel very clearly . . .

MR. A. DRIEDGER: Mr. Chairman, is this relevant to tourism? If it is, then we want to cover the waterfront.

MR. D. SCOTT: It's very relevant.

MR. A. DRIEDGER: Not to tourism, it isn't.

MR. D. SCOTT: Mr. Chairman, this is a prime difficulty I have with the members' opposite attitude and some people in tourism industry's attitude towards tourism is that they think that the environment has absolutely no consequences to massive tourist development and it has a very, very direct impact on our natural environment. If we are trying to attract tourists to this province for the purpose of them benefiting from the tremendous resources that we have in this province, we have to protect those resources. Otherwise, what are we going to attract into Manitoba for? What is going to be the attraction to go to people in other countries, in other provinces, and the United States in particular, to come to Manitoba if we participate carelessly in the developing of whatever industry it is? Tourism has a very major key here, yet their development actually hurts the resource that we cannot develop an industry with no regard to the environment, which is designed to try and exploit; that that exploitation has to be done very carefully so that the resource itself is not destroyed.

I hope and I have confidence in this Minister that he will in the exercise of this agreement, in co-operation with the Government of Canada, take fully that premise of protection alongside tourism, for if we do not, we will not have a tourist attraction to attract people to Manitoba.

Thank you very much.

MR. CHAIRMAN: The Chair thanks the Member for Inkster.

Mr. Minister.

HON. J. STORIE: Thank you.

I think the honourable member in his final, final, final summation made the point that there has to be a balance. I acknowledge and I think all of us do that if we for other economic reasons decided to endanger certain kinds of habitat, certain wildlife, that it would have a long-term detrimental effect on tourism in the province. There is a direct relationship.

Having said that, Mr. Chairperson, I think that all members recognize that there has to be a balance and wherever there is to be major development, that the environment and its impact has to be considered.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman.

The government side have raised a very interesting point and I'm just wondering, in terms of tourism, whether we're capitalizing on the polar bear potential in the Churchill area. When we're talking of the ecological aspects of it, and I'm just wondering I think really, Mr. Chairman, that a tourist potential - I'm not saying this necessarily lightly. I want to touch on that a little bit because it's been opened up. I thought it was going to sort of run along the main lines a little bit.

I had the occasion in 1978, I took my wife and my two youngest children and the truck and camper and I toured the northern part of the province for three weeks. I had occasion to visit all kinds of parks. I'd never been up North like that. I covered the whole North and various lakes, did fishing and I love fishing. We ended up at Thompson and we took the train from Thompson to Churchill. It was a very exciting experience for my family and myself. We travelled through the night and arrived in Churchill in the morning - this was the beginning of August.

One of the things that we were excited about was seeing the Beluga whale and seeing a polar bear. The weather was such that we couldn't get across the Port of Prince of Wales to see it. Anyway, these were things that excited us when we took that train trip down there.

I'm just wondering, when we talk of the Cadillac projects that we're promoting here, is there some way we can promote this kind of a project in Churchill. The Americans spend all kinds of money to enjoy our northern part of the province and nothing is more attractive and exciting than seeing a whale, seeing a polar bear and seeing the geese during the nesting season when they walk right beside the vehicles out there.

These points come to mind now that the Member for Inkster has raised this issue, I'm wondering is there some way that we can get on a major program of promoting a place like Churchill. We're often anticipating Churchill in terms of grain movements and stuff like that, but I think there's a much greater potential that we can make use of out there and promoting a train ride even from Winnipeg. Let's tie something into that, whether it's a private entrepreneur or not, but there is tremendous potential and it's a great experience. Myself, having lived in Manitoba, had my eyes opened, I think this is something that we should promote. But we seem to be lacking in that, that we don't promote and overlook the things that we have that we can sell to the people who are prepared to do this kind of thing.

HON. J. STORIE: I appreciate the member's interest in Churchill and the area. It is unique, and certainly there have been major efforts over the last couple of years to promote Churchill and the area as a destination point. I should indicate right now that, as of last year, the facilities that would be utilized by tourists were used to capacity. In other words, you know, there has been sufficient marketing to draw enough people into the Churchill area that they are saturated at this point. I think the point that the member makes is, is there going to be a major initiative under the new program, and certainly Churchill is viewed as a destination point that has many world class features.

The Member for Sturgeon Creek, I believe it was, was discussing earlier the merits of Churchill and the fact that it has a world renowned reputation for both its wildlife and the environment itself which is unique - the Beluga whales, the Polar bears, etc. So, I think there is tremendous potential there and I know, and I am quite confident, that the new agreement will be used to advantage by both the community and by entrepreneurs who are familiar with the attractions of Churchill.

MR. A. DRIEDGER: It bothers me a little bit when the Minister says that last year we maximized to saturation

the tourist facilities out in that area. That really bothers me. Is the Minister telling us that we don't have enough hotel accommodations out there and that we don't have enough tour type of setups up there, because this is what people are looking for?

If that is the case then, I have to be critical of the Minister and say that he has been falling down on his job because this should have been initiated by the government. If there's that kind of potential that we have it saturated, you know, that we're going to start packing them off and saying, well, we can't accommodate you, something is wrong.

HON. J. STORIE: First I should say that I don't know whether this has been an ongoing problem. I know that it was a problem last year. Churchill, like other destination points, takes a while to develop. The word is passed, by and large, through word of mouth. So I think the reputation Churchill has gained is one that is growing. Destination Manitoba assisted seven projects in the Churchill area and I'm interested, I am intrigued, if not fascinated, by the member's suggestion that the government take the initiative in the tourism area. I don't think that the new agreement promotes government initiative per se. I expect that there are community groups, local level governments, that may interest themselves in projects in the Churchill area because of the increasing demand. We expect that there are private entrepreneurs in Churchill who will see their way clear to utilize either programs to, or a program for, or one of the other programs to their advantage.

MR. A. DRIEDGER: Well, I just raised the point of Churchill with the committee here, and with the Minister, and I think we have other areas like that. I think maybe we have to twig this Minister's imagination from time to time so that he gets with us and because we have a lot to sell. He's so caught up with the big Cadillac programs here, and I think we have to look at some of the grassroots developments where we have it right now that we can expand on.

I am not saying necessarily that the government has to get involved and spend their monies on it, but the promotion end of it itself. If you show the possibility of profit somewhere to somebody, there are going to be people that are prepared to spend their money and do this type of thing.

A MEMBER: What's a good polar bear rug worth?

MR. A. DRIEDGER: A lot of money.

HON. J. STORIE: Mr. Chairperson, I wouldn't want the member to be left with the impression that we don't recognize Churchill as what he calls a Cadillac opportunity. It is a world class destination point at this time. I won't go into all the various commitments the government has made to Churchill in other ways, including the establishment of a hydro line to the community, but there have been, through Destination Manitoba, as I said, seven projects approved, and through the dollars that the province spends in advertising, certainly Churchill is one of the areas that has a high priority.

I am told by staff that last year we received approximately \$2 million in value from what is called

Writer Tours. In other words, we supported writers in their travels, and the free publicity that we got from that was worth \$2 million, because they went back and wrote in their journals, in the travel journals, in local magazines and so forth promoting Churchill as a destination point.

So we haven't forgotten Churchill. I think that it does play a large role in the planning of the department, and the possibility of a major world class facility developing through this program, I think, is quite good.

MR. A. DRIEDGER: Just a final comment. The Minister is sincere, but what he is saying is, when we look at the brochures, there is very little promotion about the extreme northern part of our province - the tundra. These are things that excite the imagination of many people, but we don't do that. We concentrate on the southern parts. I think the Minister is actually giving us fancy words and missing the point, you know.

HON. J. STORIE: Well, I would invite you down to the Tourist Information booth in the Legislature where you will see a 14 foot polar bear, which we have dragged faithfully to a number of shows both in Manitoba and in the United States, promoting Churchill.

MR. CHAIRMAN: 3.(b)(1) - the Member for River Heights.

MR. W. STEEN: Mr. Chairman, to the Minister, in this item he has a salary reduction. Now, with the new program that has come on stream as of today, will the persons that are classified in this Salaries (b)(1) be administering the new program?

HON. J. STORIE: There may be some transfer of people. The reduction simply is indicative of the fact the program was winding down. As I said, there may be some people transferred where there are equivalent responsibilities under the new agreement, but I expect that there will be some additional hiring as well.

MR. W. STEEN: Mr. Chairman, I've got a number of grants that have been approved by Destination Manitoba under Section 3 on Page 23. I'm going to ask the Minister if it's easier for me to ask him about the dozen or 15 or is it better if I just read them off and he, through his office, will provide me with the information within the next few days. Which is more convenient?

HON. J. STORIE: No, I think it's simpler, if the member is willing to receive a written response on the details of the grants, I think that's probably the simplest way to go. It would take some time for staff to pass the information through me and he will get a fuller response if he's . . . I appreciate his co-operativeness.

MR. W. STEEN: I'll just briefly make mention of some that have come to my mind that I have wanted to ask about and some of my caucus colleagues have wanted to ask about.

During the past three days we've had a great deal of discussion about the Winnipeg Convention Centre and we see there's a \$38,992.50 there, and also the

Minister made reference earlier about the fact that through the grant funding or block funding to the City of Winnipeg that the Convention Centre receives money from the Provincial Government; so keeping in mind the conversation that's gone on between the Minister and myself on the Convention Centre, I'd like to know what this grant was for.

Another one of interest is Riding Mountain National. It doesn't mean anything to me when you say Riding Mountain National. Riding Mountain National Park or Riding Mountain National Riding Academies or what? It's a \$15,000 one. Encore'83 Ltd.- \$22,000 is one that strikes me as being an unusual. The Red River Exhibition Association - during the Minister of Sport's Estimates and Urban Affairs, it came out that the Red River Exhibition Association receives the opportunity to have a casino night in the Convention Centre, which is granted through Lotteries, as a fund raiser for themselves, as well as most members of committee will know that the exhibition has been successful in raising a profit from their exhibition each year since '51. They may have had one or two years that they've had disastrous weather and haven't been successful in ending up in the black. Obviously, this I think would be for some special project that they could have wanted to undertake.

Canadian Waterslides Ltd., one of my colleagues asked, "Is this money to look into a feasibility study for a major waterslide?" Then there was talk of one in north Brandon.

The Blue Bomber Football Club, is this something to do with the new facility that they put up last year that they got a great deal of money from the Federal Government? Was this the portion that the Provincial Government shared on?

Another one is Race-track Management Ltd., \$25,000; Manitoba Great Western Harness Circuit, \$10,000; these might be just normal grants that are given to these associations and they may be ongoing on a yearly basis - I don't know - or maybe they were just the one-shot effort. Perhaps the Minister, through his department, can indicate what they were for.

Sportsmen's Group Travel, \$7,500 - I would like a little more detail on that one; the Manitoba Restaurant Food Services Association, \$38,498.98.

Earlier this afternoon the Member for Pembina made reference to the Thompson Ski Club Inc. I see up above that there is the Gimli Harbour Park development, \$61,825, and then the Gimli Harbour Park development, again for \$123,650; that's a substantial amount of money going into that one area.

One, Mr. Minister, in your own constituency. What did the Fliin Flon Chamber of Commerce do with \$180,000.00? That's a substantial grant; I would like to have more detail on that one.

Trapper Don's Guiding, \$25,000; Wasagaming Properties up at the Clear Lake area, \$7,594; and then Rolston, W.A.- I would imagine those are the initials of an individual who got \$10,500.00. I wonder what that individual did with that sum of money.

Lee's Holiday Bungalows is an example of just one of a number of cottages and resort areas that have received monies. I am familiar, having been a regular attendee at the Grey Owl at Lee's, as to what he received his monies for and so on.

Then I see one more down further, a Kenneth and Janet Bridgeman who received \$25,000.00. It sounds like an individual rather than a corporation.

So those are examples of grants that have been expended by the government, in looking through, that have caught my eye or caught the eye of colleagues of mine. I don't need a lot of detail, but I would just like to know what category they fell into. They received the money and it was used to either refurbish - in Lee's Holiday Bungalows, refurbish his facilities, and he matched it with X dollars and so on - something along those lines. If I could get that information from the Minister, it would be most helpful.

HON. J. STORIE: Yes, we will endeavour to get the information back. Some of them are marketing, some of them are projects. It's probably simplest just to give you the details in writing.

MR. W. STEEN: Another question - If the Minister could tell me - he made reference in this afternoon's session of the private sector board on the advisory board for the Destination Manitoba. Can he tell me the makeup of the board, who was on the board?

HON. J. STORIE: At this point, Mr. Chairperson, the final composition of the board has not been approved. As I indicated at that time, the makeup of the board is again a joint undertaking of the two levels of government, so there has to be some consensus with respect to the final makeup of the board. There has been a list of potential candidates circulated, I believe, at this time, and we will be making a decision fairly shortly.

MR. W. STEEN: Mr. Chairman, perhaps the Minister thought my question was the makeup of the advisory board of the new project, the new program that the government has entered into; I was meaning the advisory board, the private sector people that approved the many Destination Manitoba grants that I discussed when I read off a dozen or better names. Who from the private sector was involved and what has happened in the past?

HON. J. STORIE: Would the member like the names?

The names are Mr. C. MacKay - I presume that's Cam MacKay, or Cliff MacKay - pardon me - Cliff MacKay is the pronunciation - who was the co-chair as federal member; Mr. R. Yuel - that's a strange name - who is the co-chairman, provincial member; Mr. Hank Derksen, federal member; Ms. J. Sigurdson, provincial member; Mr. Wilf Organ, who the member may know; Mr. Bob Lockie, who then was the executive vice-president of Tourism Manitoba; Mr. S. Novak, who was a member in the Manitoba Hotel Association, and from Fliin Flon; Mr. Gordon Harris, the owner of the MacGregor Hotel, also an alternate with Manitoba Hotel Association; Mr. Alan Finnbogason, employed at Eaton's; Mr. Penwarden, from Churchill; Mr. Webber as well from Churchill; and a Mr. Bennett, representing the Manitoba Lodge and Outfitters Association. Some of those are members, some alternates.

So it was a review committee with a fairly broad representation not only in terms of the geography of the province, but in terms of industry representation as well.

MR. W. STEEN: Mr. Chairman, then, as the Destination Manitoba is being wound down, naturally those board

appointments will be phased out and something along those lines will be structured for the new Go World Class Economic and Regional Development Agreement, I would gather.

HON. J. STORIE: Yes, that was my mistake. That was the process that I was explaining in answer to a question that the member didn't ask it.

MR. W. STEEN: Pass, Mr. Chairman, unless one of my colleagues has any further questions on Destination Manitoba; (b)(1) and (2), you can pass.

MR. CHAIRMAN: 3.(b)(1)—pass; 3.(b)(2)—pass.
I am calling 3.(c)(1), Manitoba Horse Racing Commission: Grant Assistance - the Member for River Heights.

MR. W. STEEN: Yes, I would like to ask the Minister if the two judges from the Standardbred Meet that were suspended earlier, and I believe have been suspended, if they were penalized in any way, shape or form in the way of dollars and cents during the period of suspension.

HON. J. STORIE: Well, first, to clear the record, the two judges that the member refers to were never suspended. The two judges were served notice as per the requirements of their collective agreement. The purpose of serving notice was so that at the end of the season, before assigning judges for the upcoming season, that the Racing Commission would have a chance to review all applicants for the positions to ensure that we had the best possible people reviewing and making decisions on the race-track that we possibly could have. Subsequent to their notification and the termination of their employment, they I believe, both of them, reapplied for positions for the great western harness racing circuit. One of them will be employed during the summer meet and one of them will not; one of them will be employed as the executive secretary of the great western circuit. That is not a Commission position as a position that is managed and falls under the jurisdiction of the great western harness horseracing circuit.

MR. W. STEEN: Can the Minister give us the names of the two persons that will go with the first person that he referred to and they will be working the great western circuit this summer as judges?

HON. J. STORIE: The names are Mr. Page, Mr. Chisholm, and two will alternate; Mr. Shaw and Mr. Pliszka. The same as last year, those two individuals alternated last year as well.

MR. W. STEEN: The person that was working the winter standardbred circuit that went with the great western circuit?

HON. J. STORIE: Mr. Keayes.

MR. W. STEEN: Keayes.
I'd like to ask the Minister - I asked him this question in the House about six weeks ago about the Supervisor

of Racing, Mr. R. P. Topley - and I asked him the question if he was a contract employee of the Manitoba Horse Racing Commission or - by contract employee I meant a temporary employee filling in for a certain segment of time, whether it be the winter standardbred or the winter standardbred plus the thoroughbred season and so on - or had he been made a year-round employee of the Horse Racing Commission?

HON. J. STORIE: Yes, I believe I answered the member's question in the House. Mr. Topley was originally selected by the Commission from over 100 applicants from across Canada, and I believe from an international group of competitors. He began his employment with the Commission in June of '83, the terms were that after a period of time there would be a review and that review was undertaken and rather than a contract position, the position was made into a full-time position by the Commission.

MR. W. STEEN: By being a full-time employee of the Commission is he a provincial civil servant?

HON. J. STORIE: I don't believe that he would be, strictly speaking, a civil servant. He's not a member of MGEA. He operates under the authority of the Manitoba Horse Racing Commission.

MR. W. STEEN: What is the length of Mr. Topley's contract? Has it got an expiry date?

HON. J. STORIE: It is not a contract, it is a position that the Horse Racing Commission established. It is full time permanent, subject only to the normal dismissal provision, with just cause.

MR. W. STEEN: The Member for Virden asked what those provisions are, if the Minister could elaborate a little bit further.

MR. CHAIRMAN: Who is asking the question?
The Member for River Heights.

MR. W. STEEN: The Minister made reference to subject to certain provisions. I'm asking what's he mean by certain provisions.

HON. J. STORIE: Well, the provisions I was referring to is that he will continue in the employ of the Commission until such time as (a) he resigns or (b) he is dismissed by the Commission for just cause.

MR. W. STEEN: To the Minister, can he tell me what racing and race-track experience Mr. Topley had prior to coming to Winnipeg?

HON. J. STORIE: Yes, Mr. Chairperson, I don't have all of the information with me. I believe I did place on record the fact that Mr. Topley was employed in Ontario, employed by the Federal Government, had actually been an owner and had actually raced, has essentially spent his lifetime involved in both the harness and the thoroughbred racing industry. His qualifications, his background are exceptional and obviously that is why he was chosen from amongst 100 people to fulfill the position of Supervisor of Racing.

MR. W. STEEN: Of the 100 applicants, Mr. Chairman, to the Minister, can the Minister recall how many may have been Manitobans?

HON. J. STORIE: Mr. Chairperson, no, I was not the Minister responsible at the time. I do know that there were a number of applicants from Manitoba. I suppose that choosing an employee from amongst 100 is a difficult prospect at the best of times. The members of the Commission at that time chose what they believed to be the best candidate. I don't know that they wouldn't have chosen a Manitoban if they felt a Manitoban was equally qualified. Obviously, they felt that Mr. Topley was the best qualified and the person that could best fulfill the functions of Supervisor of Racing.

I'm informed that there was a short list of 15 candidates, eight of whom were Manitobans.

MR. W. STEEN: Can the Minister tell me, and I know he wasn't the Minister at the time, but perhaps the records show or his assistants can help him, Mr. Freeman that acted in the position of Supervisor of Racing for a short period of time, why was he released?

HON. J. STORIE: Mr. Chairperson - I think it was Freedman wasn't it, was it Freeman? - Freeman was actually requested by the Federal Government to return to the United States because it was felt that a Canadian could fill that position. So, it was not a decision of the Commission per se that saw Mr. Freeman leave, it was Immigration Canada.

MR. W. STEEN: So, the Federal Government of the time would not permit Mr. Freeman to have a working visa so that he could continue and carry on in this position then?

MR. CHAIRMAN: The Minister nodded.
Mr. Minister.

HON. J. STORIE: That's correct.

MR. W. STEEN: Over the past four years, we've had a great deal of difficulty at the track. As I have said in the past, we've gone through three Ministers who have been responsible for the Horse Racing Commission; we've gone through three chairmen or chairpersons of the board; and we've gone through three persons that have acted in the role of Supervisor of Racing. This past winter's standardbred season seemed to be the season that we had the most difficult time. We had horse owners and trainers taking the Racing Commission to court on three or four occasions and judgments coming down against the Commission.

We've had a great deal of difficulty with the Commission holding in-camera meetings that horsemen and their legal advisors have felt, as well as courts, that shouldn't have been in-camera, and generally it's been a winter season of chaos. I would ask the Minister — (Interjection) — Well, I hear from across the way, a former Minister talking about a receivership of some three year's ago. Yes, there's no doubt that horse racing in Manitoba has gone through some difficult growing pains within the last four years and from the track going into receivership to the difficulty of finding, obviously,

the right Minister who either wished to be Minister responsible for the Horse Racing Commission through to finding a suitable chairperson, to finding a suitable Supervisor of Racing.

Right now I'm asking the Minister about the Supervisor of Racing, who seems to be a person that - we have operated in a state of turmoil over this past winter. Is the Minister confident, now that much of this turmoil is finished and that the difficulties that we have had with this past winter's meet are over with, or are they just subsided for the time being because the standardbred season has finished at the Downs and will now go on the Great Western Circuit?

HON. J. STORIE: Mr. Chairman, the turmoil that exists, exists in the member's Imagination and is largely of his creation, rather than a matter of fact.

I have said in the House a number of times that, (a) the attendance and the handle through the standardbred season were up. There were, as a matter of fact, two different occasions, which created problems at Assiniboia Downs. One was the failure to contest the slow pace, which involved a number of drivers. The court challenges that the member referred to related to that incident and an incident where an individual on the track was found with injectables. Both of those situations are against the rules, were identified by the judges, by individuals at the track, correctly so; and what the Court of Queen's Bench found, was that the procedures that should have been followed were not followed.

I have said to the member, and publicly, that obviously the Horse Racing Commission has established rules, regulations and procedures and those should be followed. I have met with the Horse Racing Commission on a number of occasions. We have discussed how we might avoid the kinds of situations that occurred during the winter meet, in the coming season, and I think we will be able to correct those problems.

The member makes reference to the turmoil at the track. Mr. Topley has been Supervisor of Racing since June of 1983 and to say, because of two incidents at the track over a racing season, two incidents - there were many different hearings of court cases that resulted from those two incidents but they stem essentially from one race and an incident at the Downs; so it's not as if every race, and there were hundreds and hundreds and hundreds of races, ended in turmoil. Most of them were satisfactorily completed to the advantage and enthusiastic support of the crowds and the people involved.

I have met with the Manitoba Harness Horsemen on an informal basis. I had a lengthy meeting, and there was no indication that there was turmoil at the track. In fact, there was some discussion about the causes and the reasons for some of the problems, the rules and how they were enforced were discussed, also the fact that some people don't want to follow the rules. I made the point as well - and I want this to be clear - that in no instance was there a denial that an infraction had been committed. If an infraction is committed, I think it should be called, whether it's in horse racing or hockey or anything else. I think that's an important point that we should note.

To my knowledge, none of the people involved in the incidents that followed from that have denied the fact

that they committed infractions. My suggestion is, follow the rules and there won't be any problems. I believe the rules need to be developed in a fair and co-operative way. The Racing Commission, with the assistance of the Supervisor of Racing, and I believe a member of the Commission, met with the harness horsemen, have gone through on a clause-by-clause basis, the rules and regulations that govern standardbred racing. There were five separate meetings. The rules in the 1985 season will reflect a consensus of horsemen and Downs officials and will be the best set of rules that we've operated from.

I remind the member that for a period years there was no standardbred racing, that standardbred racing was introduced at the Downs in the 1981 season, so we're working at some . . .

MR. H. GRAHAM: Mr. Chairman, on a point of order.

MR. CHAIRMAN: The Member for Virden will state his point of order.

MR. H. GRAHAM: I just want the record to be corrected. I don't think standardbred racing started at Assiniboia Downs in 1981. I think it started long before that.

MR. CHAIRMAN: That's a point of information.
Mr. Minister.

HON. J. STORIE: Mr. Chairperson, I believe I said it re-started. I am aware of the fact that it was going at the Downs prior to 1977, I believe. However, there was a period, a hiatus, where there was no standardbred racing and I've said that the rules obviously have to be addressed. Those have been, in a very co-operative way, I believe, as well, that we have a good working relationship with the harness horsemen. There are a number of individuals who were responsible for more than one infraction. There were difficulties experienced with personnel and with the process. I acknowledge that and those problems will be addressed; but to suggest that the Downs was in turmoil is misleading and inaccurate. To suggest that we had a couple of problems would be fair.

MR. W. STEEN: The Minister can put whatever definition he wants on it. I say that, from my experience in talking to the horsemen and many of them over the past number of months, I still would use the word "turmoil."

Perhaps the Commission has relieved itself of one of its problem and that was a judge by the name of Charles Ibey that was brought in by Mr. Topley from Eastern Canada that tried to, in my opinion, over-exercise his role and when the Minister talks about failure to contest a slow pace, yes, it is pretty difficult when it's 30 below outside for horsemen and the animals to run at the suggested pace that they should. I think if the Minister checks that he'll find that when the failure to contest the slow pace was done in extremely cold weather - and I believe this past winter there was some seven or eight days that racing had to be cancelled because of extreme weather, but there were other days that they raced when it was fairly cold and it's only

understandable that the horses or any human are not going to perform at their best under those conditions.

Mr. Topley, in one of his public statements, said that the racing handle was up and things were going along smoothly. He failed to mention that they had gone from - is it 10-12 races per day? - and surely if there's an increase in number of races per day, the handle should be up. I think when he made reference to the handle being up, it was something like 8 percent. I would think that two additional races on the card would account for the 8 percent increase.

HON. J. STORIE: Yes, the member does make a point that the handle is up obviously because there were more races. The races increased by two per week, which if my arithmetic is fair, represents about a 4 percent increase in the number of races.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Would the Minister care to change that to two per day rather than two per week?

HON. J. STORIE: No, I don't think I will. The races were 10 per day for five days and that could come out to 50. There were four race days following with 12 races per day. So if you do your arithmetic you come out with two additional races per week.

MR. H. GRAHAM: Mr. Chairman, how many years did the Horse Racing Commission operate on five racing days per week and for how long?

HON. J. STORIE: Well, I understand that prior to this year that they did operate by and large on the five-day 10-race format.

MR. H. GRAHAM: What days were those?

HON. J. STORIE: I'm sorry, does the member refer to the four days or the five?

MR. H. GRAHAM: The Minister said they operated on a five-day schedule. What days were they?

HON. J. STORIE: The days were Tuesday, Wednesday, Friday, Saturday, Sunday.

MR. H. GRAHAM: Tuesday, Wednesday, Friday, Saturday, Sunday, and for how many years?

HON. J. STORIE: Well, I can't say for sure, Mr. Chairperson. As I said, the standardbred season started again in '81, so I presume that for those years, at least, back until '81, that there were five.

Again, the number of days racing is not determined strictly by the Commission. The racing days actually are determined, I think, fairly between the Federal and Provincial and the track itself which has some say on what days the racing shall operate.

MR. H. GRAHAM: To the Minister - can the Minister indicate if a race can be held where the public is invited to participate? Can it be held without the approval of the Racing Commission?

HON. J. STORIE: If the member is talking about a race that is held in conjunction with pari-mutuel betting, the answer is no. At least I believe it's no.

MR. H. GRAHAM: So then if there were races held, they were held with the approval of the Racing Commission, is that right?

HON. J. STORIE: I believe that's accurate. And the Federal Government, the Department of Agriculture I presume.

MR. H. GRAHAM: The Minister presumes it was the Department of Agriculture. Was the Department of Agriculture?

HON. J. STORIE: Yes.

MR. H. GRAHAM: Mr. Chairman, can the Minister tell us how many racing days there were in 1981?

HON. J. STORIE: In 1981, I can provide that information, I can tell you how many days in the 1985 season. The '83-84 was 111; '84-85 was 103.

MR. H. GRAHAM: In '83?

HON. J. STORIE: '83-84 was 111.

MR. H. GRAHAM: '82?

HON. J. STORIE: I don't have that information on me. The current supervisor of racing was not involved at that point. I can certainly get that information as well if the member would like it.

MR. H. GRAHAM: Well, in 1983 . . .

MR. H. GRAHAM: In 1983, there were 111, was that right?

HON. J. STORIE: '83-84, yes. That's the Downs portion of it, yes.

MR. H. GRAHAM: When did the racing start and when did it end?

HON. J. STORIE: October till April.

MR. H. GRAHAM: What dates?

HON. J. STORIE: Approximately the middle of October till the middle of April.

MR. H. GRAHAM: October 15th to April 15th?

HON. J. STORIE: I'm only saying approximately, Mr. Chairperson.

MR. H. GRAHAM: So, you're looking then at five months or better and you had a total of 111 racing days? That works out to five races per week does it?

HON. J. STORIE: That was the case in '83-84, yes.

Mr. Chairperson, actually I said earlier that there was five-day-a-week racing previously, but in '83-84 apparently October-November on the warmer weather and in March-April of that year, there were five racing days in the warm months and four only in the colder months.

MR. H. GRAHAM: I thank the Minister for that information. So, there were not five racing days continuous through the entire season? It was only for a short period at the beginning and a short period at the end?

HON. J. STORIE: Yes, that was the last year. This year they've stuck more to the four-day format.

MR. H. GRAHAM: So then the Minister's statement that there was an increase of only two racing days is actually incorrect?

HON. J. STORIE: Well, before the change, yes. There were actually fewer racing days in '84-85 than in '83-84 and the handle went up. That's because there were a number of days where it was too cold to race. We can play around with statistics all evening, on the fact where the handle was up and I think that's good news.

MR. W. STEEN: Plus the two extra races per day.

HON. J. STORIE: We're dealing with total numbers - 111 in '83-84 and 103, so the two extra days have no bearing on those two facts. Those are total days.

MR. W. STEEN: Mr. Chairman, in the most recent annual statement that was released by the Minister's office, it's the 15-month, 1984 statement versus the 12-month, 1982, which shows, naturally, it's a 15-month statement, rather than a 12, so it should be more than the '82 one, but it's up in some areas considerably.

For example, in advertising, it's gone from \$4,748 to \$9,277.00. Can the Minister find out from his people as to why the advertising budget was nearly doubled?

HON. J. STORIE: I think it has to do with more advertising and increased costs. Some of it could have been the job search, the advertising for the positions. I'd remind the member that the job search occurred in that period and there was a call . . . initially, no suitable applicant was found. A re-bulletin occurred, so there would have been substantial advertising around that as well.

MR. W. STEEN: Another area is, building renovations are almost \$8,000 from less than \$4,000.00. Does that mean the building renovations for the Racing Commission - their offices?

HON. J. STORIE: Yes, it's simply some additional work that was carried on. It resulted in the adding of some equipment to better utilize space, some dividers, some security screens, etc., desks, chairs, miscellaneous expenses.

MR. W. STEEN: Another area is equipment rentals. They've gone from \$2,325 to \$12,287.00.

HON. J. STORIE: I understand that most of that increase relates to the renting of a video system to use at the rural meets, to assist the judges in following and making sure that the rules and regulations are enforceable.

MR. W. STEEN: Another item that shows up is the impact assessment study. There wasn't anything spent in '82, and '83-84 fiscal year there was \$21,674.00.

HON. J. STORIE: Yes, I gather that was an impact assessment study that was undertaken at the board.

MR. W. STEEN: What does the Minister mean by an impact assessment . . . They assessed what, the value of the board or the value of the staff or the marketing of trying to attract fans to the track so that this large handle, the increase in the handle that we have heard of . . .

HON. J. STORIE: Well, I gather that the study was sort of a multi-faceted one that was designed to review the take, the distribution of the take, purse support as well as a review of the economic impact of the functions generally on the economy.

MR. W. STEEN: Was that impact study done by an outside source or was it done internally and, secondly, is a copy of that impact study available to the opposition members of the committee?

HON. J. STORIE: Yes, for the member's information, it was handled by an outside consulting firm and I have not seen a copy of it. I understand it was used by the Commission to review all aspects of the Downs's viability, to address questions such as the industry growth and development and I believe dealt with some specific matters with respect to purse support and allocation of purse monies.

MR. W. STEEN: Obviously, Mr. Chairman, since the Horse Racing Commission is a public body, then a copy of the impact assessment study can be made available then through the Minister to members of the committee.

HON. J. STORIE: I assume that decision can be made by the Horse Racing Commission. I don't have the full details to say for certainty that it doesn't deal with personnel matters as well, both in terms of the industry and personnel, the relationship between the Downs and the Commission, for example; so before I'd commit myself to tabling it, I would want to check with the Commission to make sure that there wasn't something that would be confidential or whatever.

I should indicate that by virtue of the fact that it's conducted by the Horse Racing Commission does not automatically mean that it is for public consumption. All kinds of boards, departments, organizations undertake research and assessments for internal purposes. I can certainly check with the Commission to see whether they're willing to consider releasing the document or providing the member with the document.

MR. W. STEEN: I would certainly have no objections if the Commission eliminated the aspect of the study

that dealt with individuals, personnel matters pertaining to individuals by name who either work for the track or the Commission. Otherwise I would wonder if the Commission has anything to hide if they were not prepared to release the study.

Another item I'd ask the Minister about and I trust that he will ask the Commission about the assessment study report and, hopefully, some time in the future we will receive a copy.

His membership and dues went from \$3,700 to \$6,000 in that 15-month period versus a 12-month period. Have membership dues, obviously in the international and Canadian Horse Racing Association gone up by that much?

HON. J. STORIE: I'm told that the answer is yes, that there have been substantial increases in both the Canadian and American Association.

MR. W. STEEN: Under the item, Office, we have for the '82 fiscal year a \$10,078 figure and it jumps to \$28,504; and I understand during that period of time a new rule book was written. Did the new rule book cost the difference of \$18,000.00?

HON. J. STORIE: There were two new rule books developed.

MR. W. STEEN: Mr. Chairman, these were rule books for the thoroughbred racing?

HON. J. STORIE: And standardbred.

MR. W. STEEN: I thought, Mr. Chairman, that the Minister made reference some moments back about another set of rules where we're in the process of being reviewed and so on. The rule book that was written for standardbred and thoroughbred racing in the '83-84 year is out of date already and another one has to be rewritten?

HON. J. STORIE: Mr. Chairperson, the member will recall that the standardbred circuit began again in 1981. The rules were revised utilizing drawing on the rules that existed in other jurisdictions. One of the concerns expressed to the Commission was the appropriateness of drawing most of if not all of the regulations and policies from other jurisdictions. What we have undertaken is not that the formal kind of the Commission go away and prepare a set of rules, but a consultative process so that the rules that we have agreed upon both by the Commission and the horsemen.

In my estimation, that kind of joint review is the only way that you can guarantee that people appreciate what the rules are and they have some sense that the rules are fair and equitable. That is the reason that the Commission undertook to review the rules. I certainly believe that if the member would like to speak to the Harness Horsemen's Association, he would find considerable support for the review that took place and confidence in the new rules that have subsequently been developed through that consultation.

MR. W. STEEN: Mr. Chairman, to the Minister. I, like he, think that they should have good strict rules and

so on. My questioning to him was that if in the years '83-'84 a substantial amount of money is required for printing of new rule books and for the rewriting of the rule books, this shouldn't be an annual occurrence and that surely to goodness the expenditure of \$18,000 at that time, either you put out a good rule book for both - and he did say for both standardbred and for thoroughbred - or there's no point spending that kind of money if you weren't satisfied with the rule book then, that it constantly has to be rewritten.

I can see you making minor amendments from time to time to any rules. That's done with the rules that we operate under here in the legislature but, hopefully, you're not going to be rewriting rule books from the first page to the end on a regular and on an annual basis.

HON. J. STORIE: The member's point is well taken. The revision and the printing of the two rule books included some plastic and — (Interjection) — I'm sorry, I've let the member proceed under a false assumption. That \$18,000 was not just for the printing of two rule books. It includes the increased costs that go to taking the polaroid shots that's required on the licence, that the licencees wear. So there were a number of other factors beside the printing.

The member's point about the printing is accepted. There is 5,000 licences printed so you can assess what the impact of that requirement might be on that \$18,000 figure. As well, the thoroughbred rule book will not be reprinted. The only one that requires reprinting at this point is the standardbred one and that's because of the major revisions that were undertaken jointly.

MR. W. STEEN: The Minister makes reference to licences. Do the fees for the licences cover the costs of the administration of all the licences?

HON. J. STORIE: I don't think that's the case.

MR. W. STEEN: Well, I'd like to point out to the Minister that in 1978 the Racing Commission operated on a \$64,887 budget. It went up by a few thousand the next year; in '80 it went to \$132,847; in 1981 it went up to \$290,363; in 1982 it went to \$421,247; and now in 1984 it's up to \$680,367.00. We are now, Mr. Minister, dealing in fairly large figures. The staff at the Commission has increased from what it was some years ago and, naturally, it should be because there are more days of racing with the winter standardbred circuit in place here at the Downs, although it was operating back in the '70s.

HON. J. STORIE: Mr. Chairperson, the member obviously identified the major reason for the increased expenditure beginning in 1981 when the costs jumped from \$132.8 to \$290.4, and that was the introduction of the standardbred season. Since that time, costs have risen from 1981 at \$290.4 to the estimate in '85 of \$367,000 - a fairly hefty increase.

I should note that the racing days now cover 250 days approximately. So, we have a substantial increase overall. That's largely because of the standardbred meets.

Also, the staff are involved in a breeders program on a year-round basis and it has been deemed a

necessity to initiate some training programs, partly to ensure that Manitobans are developed to be utilized in the racing industry as judges and stewards. So, that has added some additional costs to the Commission as well.

I want to remind the member that \$367,000 that is spent on the Commission is to oversee pari-mutuel betting that totals some \$51 million. I believe that in the interests of protecting the industry and protecting the betting public that it's important that we have the appropriate staff, the Commission have the necessary support to ensure that things like the rules get reviewed and, obviously, that takes staff time and costs money, but to make sure that the industry remains healthy - we talked earlier about the fact that it came out of a very difficult period and the former Minister responsible for the Horse Racing Commission is here and can tell you some of the agony that she went through in salvaging horseracing in Manitoba. Due credit, I should say is given to the Member for Osborne by the Downs and by horsemen in the province for taking the initiative and being prepared to step in and do a courageous thing and salvage an industry; and she undertook that where many people of lesser spirit and lesser energy would have backed away from that challenge.

MR. CHAIRMAN: The Member for River Heights.

MR. W. STEEN: Mr. Chairman, the Minister makes reference to \$51 million being wagered at the track or I guess what he means is under the Horse Racing Commission because that would include the great western circuit as well, which is not a substantial amount.

HON. J. STORIE: No, it's over and above that.

MR. W. STEEN: What is the total purses at the Downs in a year?

HON. J. STORIE: The total purses are 3.4 - no, I shouldn't use that figure. Just for clarification, is that excluding the Breeders' Program? He's interested only in the horsemen's purses?

MR. W. STEEN: Purses earned from the placements in races.

HON. J. STORIE: Mr. Chairperson, yes, the horsemen's purses for the thoroughbred were approximately \$3.5 million and the harness racing was about \$1.8 million.

Just some further information for the member, that the purses were up in the standardbred approximately 15 percent overall and was again because of the increased handle; and the minimum purse support went from \$800 to \$1,200, which is a 50 percent increase in minimum purse support, so two very positive statistics, I think, for the standardbred industry, generally.

I could provide some other information in terms of the standardbred meet. The wagering total reached an all-time high as well during the just concluded meet. \$307,000 was wagered during one day and during the week another record was reached at \$297,000 for a week day event.

MR. W. STEEN: Mr. Chairman, one area that I would like to get some comment from the Minister on and perhaps he can get some assistance from his track officials, and that is, this past winter, during what I described as turmoil, there was a driver that was, I believe, caught with drugs that had nothing to do with drugs that are used by horses; but the drug business or the drugs that are being trafficked in by humans, and I wonder if it's now time that the Minister and the Commission and the track would perhaps work out an arrangement with the City of Winnipeg Police Department. And the reason I say the City of Winnipeg Police Department rather than the RCMP is because the track is within the City of Winnipeg's jurisdiction and have a constable or maybe two that are assigned to the track on a permanent basis so as to have a small police detachment.

HON. J. STORIE: There is reference in the rule book and I suppose this is what lead to this particular incident, two narcotics, as defined under The Narcotic Control Act - I suppose that the general rule of thumb for the Commission is to let the police do the policing. I think the Commission, by and large, and staff co-operate with the police and I'm certainly not encouraging, and I don't believe the Commission has encouraged the judges, the personnel, certainly not personnel employed by the Racing Commission to become involved in enforcement of regulations, rules, other than those put in place by the Horse Racing Commission.

I should point out that the Downs has its own rules and has security personnel to enforce those rules as well. I think that there's a need to make sure that everyone understands their appropriate jurisdiction and authority and if that's the point the member's making, then that's something that has been undertaken by the Commission in review with the staff.

There's two separate issues, I guess. One is the question of injectables and there was no questions that the injectables that were found were a contraband substance. The other issue about drugs that would be defined under The Narcotic Control Act, those issues were turned over to the police. The police made a decision not to pursue it, for their own reasons.

MR. W. STEEN: I didn't get really a chance to finish what I was going to suggest to the Minister and I should have said that drugs that were supposedly trafficked at the track because there was no charges laid so I guess we're all working under the assumption that it's supposedly - is that I believe that the betting public and the Manitoba taxpayer would feel more comfortable if the government endorsed a policy and had the co-operation of the Racing Commission and the track - I mean Assiniboia Downs - that there was a permanent police officer who would be skilled in the area of race-track habits that was constantly assigned and that was an actual detachment much like you have an RCMP detachment at Headingley. This would be a person that would be there who would be protecting the public, the Racing Commission, the track.

I know that the track in the past has hired retired policemen to handle their security. This is not what I'm worrying about, a few fans that might become somewhat disorderly. I think the track should have commissionaires

to look after that. I think that there should be somebody who is constantly on the outlook for drugs, for dishonest persons, for undesirables that are maybe working with horsemen that are on the wanted list by various police departments.

Just generally the track is the type of a place that creates an environment that doesn't always attract the best citizens. I think that there are many, many good persons that do go to the track and like to follow horseracing and like to wager monies. I'm not for one moment saying that there are a lot of dishonest persons there, but I do think that there is an element of the general public that always questions whether there is full value for your dollar at the track, whether all the persons that are either employed by the track, employed by the horsemen or frequent the track as bettors, etc. and most are desirable type of citizens and honest citizens.

I think it would be money well spent if a joint venture with the City of Winnipeg Police Department; if they wouldn't want to touch it for lack of manpower, perhaps the RCMP would want to get involved. I think that a limited detachment of skilled police personnel and if it was a single person assigned to the track who could draw up on other persons from within a major metropolitan police department, that the citizens of Manitoba would feel far more comfortable that they are being properly protected against all elements whether they be criminal elements or just undesirables, I think that it would be money well spent on behalf of horseracing in Manitoba.

HON. J. STORIE: I think the member makes an excellent point. I should indicate that it's not as if the Horse Racing Commission doesn't now maintain excellent relationships both with the City of Winnipeg, Police District 2 and the RCMP. The maintain a liaison with those two groups.

The member's suggestion that we establish a more permanent relationship, I think is one that has merit, frankly, and I think the Horse Racing Commission has already considered that and discussed that as a possibility. Certainly, if it's something that is feasible and would deem to be acceptable from the Winnipeg Police generally, I think that we would have to pursue it. I know that the RCMP have been co-operative and I expect that if we requested their assistance in any particular way, we would in all likelihood receive a fairly favourable response as well.

MR. W. STEEN: I thank the Minister and I appreciate his comment. I would just that yes I'm sure that the track is receiving excellent co-operation from District 2 of the Police Department, but those are police officers that are looking after numerous complaints and problems that are related to their district.

What I am recommending is a specialist who knows the horseracing industry, knows the bettors, knows who some of the so-called undesirable citizens that frequent tracks are and that in the long run that that individual as a special can protect the horseracing public of Manitoba.

HON. J. STORIE: I've indicated to the member that I think his suggestion warrants consideration and I will

certainly take it up with the Horse Racing Commission. I suppose there is always the matter of the effective cost of providing that kind of additional security. I'm sure that those issues will be explored with the Winnipeg Police Force and the RCMP over the next little while.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Thank you, Mr. Chairman, through you to the Minister. At the present time, the betting public realizes that whenever they bet a dollar there's a certain percentage of that money goes to the track, some goes to the province. Can the Minister give me the breakdown on what happens to the \$1 bet that the betting public wagers in any race? What percentage of that goes to the track?

HON. J. STORIE: I believe with the current rebate in place, approximately 81 cents on the dollar goes back to the betting public. The remaining 19 cents on the dollar would be broken down between purse support, administration, pari-mutuel tax taken on behalf of the province; basically, those categories.

MR. H. GRAHAM: How is that 19 cents broken down?

HON. J. STORIE: Yes, Mr. Chairperson.

The takeout, as I indicated, is 19.240 percent or 19 cents on the dollar. The breakdown would be 7.8 percent to Assiniboia Downs; 1.5 percent - I'm rounding these off to the nearest, well in this case, one-tenth of a percent - 1.5 percent paid by Assiniboia Downs to harness purse — (Interjection) —

MR. H. GRAHAM: 1.5 percent to purse?

HON. J. STORIE: Yes, 6.6 percent or 6.6 cents to the purses from the Provincial Government — (Interjection) —

MR. H. GRAHAM: 6.6 to the Provincial Government?

HON. J. STORIE: No, from the Provincial Government to purse support; .2 percent from the breeders to purse support for a total of 8.2 percent. It's got to be 18.2 percent or 18.2 cents and then two additional supports, 1.4 cents, the Breeders Program grants; 1 percent to the province, net of industry support and the Federal Government has a takeout of .8. That all adds up, in some mysterious fashion, to 19.24.

MR. H. GRAHAM: That's 6.6 percent that goes to the Provincial Government, is it?

HON. J. STORIE: Pardon me?

MR. H. GRAHAM: 6.6 percent goes to the Provincial Government, is that right?

HON. J. STORIE: 6.5 percent is donated by the Provincial Government. Basically, it's a transfer.

MR. H. GRAHAM: Is donated.

HON. J. STORIE: Well, no, it's a transfer of funds. All of the funds come through the pari-mutuel tax. That 6.575 percent is transferred back to purse support.

MR. H. GRAHAM: That's a pari-mutuel tax, is it?

HON. J. STORIE: Well, it's part of the pari-mutuel tax and it goes back into purse support.

MR. H. GRAHAM: Of that 6.5, how much goes back? How much does the province give back?

HON. J. STORIE: The province takes 1 percent, given that we've just introduced the 3 percent rebate, the province now takes 1 percent net, 1 percent net of industry support.

MR. H. GRAHAM: But the province is entitled to take 6.5.

HON. J. STORIE: Well, I suppose you could, but this isn't something that's just been introduced . . .

MR. H. GRAHAM: The province has always given that.

HON. J. STORIE: The province was taking 4 percent. To differentiate, the province was taking 4 percent in the standard and the thoroughbred. As the member knows, there was an announcement only weeks ago whereby we forgave 3 percent of that tax back in to increase the takeout from the wagering public, which leaves us, the province, with a net of 1 percent.

MR. H. GRAHAM: And how much would that 3 percent forgiveness be, in total?

HON. J. STORIE: I believe it was somewhere \$1.1 million or \$1.2 million, that 3 percent.

MR. H. GRAHAM: \$1.2 million, and that money goes direct to the operator of the track, does it?

HON. J. STORIE: That 3 percent, what happened was that prior to that, I guess you could say, the betting public was getting 78 cents on the dollar. After the rebate, they were getting 81 cents back from every dollar bet; so it went directly - the 3 percent rebate and I should say that actually there was 5.16 percent rebate. Three percent came from the province, 1 percent from the Downs, 1 percent from the horsemen and .16 from the breeders, so those are the statistics. All of that money went back to the people who bet the dollar. None of it stayed with the Downs or the horsemen themselves.

MR. H. GRAHAM: Mr. Chairman, basically what I'm getting at, does the province in any way at the present time give any money to the operator of the race-track, through any of the support programs?

HON. J. STORIE: Mr. Chairperson, the operator of Assiniboia Downs takes out 7.8 percent of the tax, but again that's a revenue loss to us. No money flows from the Provincial Government per se to the owner of the track, to the Downs. The only exception to that was, I believe, in the '84-85 year, there was money set aside to support the development of the Downs. That money was never drawn upon though. That's quite separate

and apart from all of the pari-mutuel tax issues and the purse support.

MR. H. GRAHAM: There was a period when there was some trouble with the ownership of the Downs. I believe the province did offer some support at that particular time, was there not?

HON. J. STORIE: No, I believe, even during the emergency time, the question that may have been raised was money that was owing to horsemen, but not to the Downs owner per se, so there was no operating support whatsoever to the Downs, to the owner of the Downs.

MR. H. GRAHAM: Mr. Chairman, earlier today the Minister brought up his "Go World Class" tourism program and I went through the program and I saw various areas, I believe, under Program One, that possibly the Downs could qualify under that, possibly under Program Three, under Program Five, Six and Seven. The Downs, as a genuine tourist attraction, could probably qualify for a number of grants under this new program the Minister's announced. I guess it begs the question that if the Downs was very successful in qualifying for one or more of those grants, would there be any inclination on the part of the Minister at that time to reduce the track's take to make up for the money that the Downs is getting through direct grants under the tourist thing?

HON. J. STORIE: We're getting into the realm of speculation, but going along with the scenario painted by the member it's certainly possible that Assiniboia Downs will determine that they want to apply under the new Tourism Development Agreement. They're certainly free to do so. It is certainly considered by many to be a major tourism attraction and obviously, if it meets the criteria, it would have to be considered. It would not be considered by myself. There is a Program Review Committee in place and it would have to be jointly agreed that was a worthwhile project.

That doesn't deal directly with or necessarily relate to the additional support that was provided - not the support, but the incentive that was provided to create increased traffic to the Downs by way of the reduced takeout of wagering. I have said to the Downs and said to Mr. Wright that we have provided the rebate again for 1985-86 with the understanding that once again the merits of continuing the program will rest on two factors: No. 1, it will rest on whether there is perceived to be a state of health in the industry. Certainly Assiniboia Downs employs a lot of people. It is an attraction, so we certainly don't want to jeopardize the overall well-being of the industry for the Downs, so that's one consideration.

The second consideration being that the original rebate was provided under the assumption that rebate would increase attendance to the Downs. There is no doubt from the statistics that did happen. We were the only jurisdiction to my knowledge in Canada that saw both an increase in wagering and an increase in attendance in 1984. After the rebate was introduced, we saw a pretty significant growth in those two areas where other tracks were experiencing a decrease in both attendance and wagering.

We believe that assistance was timely. We had the support at that time as is obvious by the fact that the owners and the horsemen themselves reduced their takeout. We had support for taking that initiative and we took it. It was carried on this year partly because we wanted to make sure that attendance continued to grow, partly because we saw a potential problem with the opening of the track in Minneapolis, but continuing forgoing of that 3 percent is and will be determined by the facts as they exist when it's time to consider continuing the rebate. There is no guarantee. Obviously, the province would like to gather as much revenue as is humanly or equinely possible. — (Interjection) — It's a new one, a new one. We will certainly consider it in that light before making another decision.

MR. H. GRAHAM: Well, Mr. Chairman, I don't want to be detracted from the point I'm intending to make. There's something the Minister has said, and I appreciate his desire to take credit wherever possible . . .

HON. J. STORIE: Absolutely.

MR. H. GRAHAM: . . . but I would suggest to the Minister that if there is an increase in handle and an increase in the take and the betting that occurs at the track, I would hope the Minister would give credit where credit is due. I think that credit belongs to the horsemen because we have seen new records set at the track; we have seen better quality racing; the horsemen themselves have improved the quality of the racing and I think they deserve the credit that is justly theirs. I would hope the Minister would give the horsemen the credit rather than trying to take the credit himself.

That is an aside. The point that I wanted to ask the Minister, the 7.8 percent takeout that the track is taking at the present time, has that always been a constant figure or has it varied from year to year?

HON. J. STORIE: Yes, there are two answers to that, Mr. Chairperson, first, the takeout by the Downs is a figure that's established by the Federal Government, the federal Criminal Code. Having said that, once the takeout is established, the level of takeout that the Federal Government requires, then the support to the purses is something that's negotiated between the horsemen per se and the Downs. We don't get directly involved in that although, obviously, we do provide our own level of support to the person.

If I might comment on the member's concern, certainly, I acknowledge the real contribution that was made by the horsemen and I said in my statement that the horsemen and the breeders and the owner contributed to lessening that takeout. I think the facts are that a 5-percent increase in takeout on the betting public does have an impact and more people will see themselves being winners and that's I guess what's most attractive about racing.

MR. H. GRAHAM: Mr. Chairman, I want to get down to the definition of the parameters of the jurisdiction of the Racing Commission. Does the Racing Commission have any control, say, over the actual operation of the Downs itself, the conduct of the patrons in the Downs?

HON. J. STORIE: No. I think the simple answer is no. The Commission is concerned with licencees only and those people, as opposed to the people that work and come to the track for entertainment, are the industry, the trainers and whatnot.

MR. H. GRAHAM: If a person was concerned, say, about the quality of the food that was provided to the patrons there, would he raise the issue directly with the owner or would he raise it with the Racing Commission, or would it be a concern of the Racing Commission?

HON. J. STORIE: No, I don't think it would be a legitimate concern of the Commission, but certainly the owner would be fairly taken aback if you suggested that.

MR. H. GRAHAM: Would it be a concern of the Minister from a point of view is the Minister also responsible for tourism?

HON. J. STORIE: Somewhat of a . . . of course, it would be of concern to me.

No, I think that it would be of concern as it is a concern of mine that we maintain superior standards in all of our accommodation, our eating establishments throughout the province. Any time you provide a superior service, superior quality of service, you do credit to the province and support tourist industry. So to the extent that people are entertained - I'm searching for a word here - are content with, appreciative of the food and service offered by the Downs, I think that's a good thing.

MR. H. GRAHAM: Well, Mr. Chairman, if anyone had a complaint about the quality of the food provided by Mr. Axworthy, they would then raise the issue with — (Interjection) — No, no. This is Mr. Robert Axworthy not Mr. Lloyd. They would then raise the issue with the Downs rather than with the Racing Commission?

HON. J. STORIE: I think the only other alternative is to raise it in the House and try and embarrass the Minister.

MR. H. GRAHAM: Well, Mr. Chairman, I have no intention of doing that because I have eaten at the race-track on several occasions and I've found the food to be what a person would expect when he went to a race-track.

Mr. Chairman, I want to go back to a deal that was made quite some time ago when the decision of the Racing Commission was - and I use the word advisedly - interfered with by the Federal Minister of Immigration, Mr. Lloyd Axworthy. At that time, I believe the Racing Commission was very satisfied with the services of Mr. Freeman, but because of federal intervention it was decided that his services were no longer - what's the best word - desirable in Canada. Was there any complaint lodged by the Minister responsible for the Racing Commission at that time with the Federal Government?

HON. J. STORIE: It's unfortunate that the member chose to ask that particular question at this time

because the Minister that was responsible was there and I could have received an answer from her.

I believe that it was the view of the Commission that they had conducted a fairly thorough search for a candidate at that time and were satisfied that there was a need to employ someone from outside the province and outside the country; so I am fairly confident that having done that, that information was conveyed to Immigration Canada and I assume at some point either through Immigration Canada or through the Racing Commission to the Federal Minister, of their concern about that issue.

The Minister made the decision, I understand at least, unilaterally, without regard to the concerns of the Commission or the expressed views of the Commission at that time, so that's about all I can say on that issue.

MR. H. GRAHAM: Mr. Chairman, was that then, because of that dissatisfaction, was that the reason why the Racing Commission decided, with or without consultation with the Minister, to pay a rather healthy bill to the Manitoba Hospital Services Commission on behalf of Mr. Freeman?

HON. J. STORIE: Mr. Chairperson, my understanding was that it was done as part of the terms of contracting the services of Mr. Freeman. I don't think that it had anything to do, per se, with the Minister's decision to declare him *persona non grata*.

I should say that one of the outcomes of that experience was the establishment of the training program conducted at the Downs to develop local Manitoba talent who would be able to act in those capacities.

The Ontario Racing Commission had a similar experience where they could not find personnel and began a similar training program; so there weren't all downsides to that event. We did learn something and perhaps some Manitobans will eventually benefit from that incident.

MR. H. GRAHAM: Mr. Chairman, if that is the case, is the Minister prepared to table the contract with Mr. Freeman for this committee so we can see that those were the actual terms of the contract, that his health bills would be paid all the time he was in Manitoba?

HON. J. STORIE: Yes, there is no contract with Mr. Freeman. Mr. Freeman has been gone since October, '83. The explanation that was given in the House, I believe, was that it was provided for compassionate reasons and to ensure that he could fulfill his functions.

MR. H. GRAHAM: Mr. Chairman, that's not what the Minister said. The Minister said it was in agreement with the terms of his contract.

HON. J. STORIE: No. I think I said that it was one of the terms and conditions that were discussed to attract him to the province. In other words, it was a consideration. He had a number of concerns, obviously with respect to health, and that was one of those issues which was felt to be resolvable by the Commission.

I have no knowledge of the particular contract or the terms and conditions of that contract at this point. As I said, I was not the Minister responsible at the time.

MR. H. GRAHAM: Mr. Chairman, if the Minister says he has no knowledge of it, why did he make that kind of statement? The Minister said that was the terms and conditions of his contract. Now, can the Minister please clarify, for members of this committee, what the terms and conditions of that contract was and also, whether those conditions were entered into prior to the hiring of Mr. Freeman or whether it was agreed to after his dismissal?

HON. J. STORIE: I honestly don't know all of the details. I said that my understanding was - and again, I have the same information I suppose as the member opposite in terms of the debate that was raging at that particular time - my understanding was that health considerations were of concern to the individual. I don't know whether it was part of his contract or there was information given to him which led him to believe that his MHSC fee, bill, whatever it was, would be assumed by the Commission.

My knowledge is essentially the same as the member's. That's my recollection of the events. I don't have access, nor did I ever have access to the contract, nor the strict rationale for whether it was provided inside or outside the contract or why it was provided exactly, other than there was some need on the part of the individual to have support of his particular health problems and I don't even know what they were.

MR. H. GRAHAM: Will the Minister undertake to find out and give a full report to members of the committee?

HON. J. STORIE: I can certainly undertake to establish the background for that particular incident and provide members with information on the rationale that was provided.

MR. H. GRAHAM: I thank the Minister for that.

Mr. Chairman, I believe the Minister also indicated that the Commission embarked on a training program at that particular time. Is that correct? A training program for personnel?

HON. J. STORIE: It wasn't exactly at that time, but it was one of the ramifications, it became obvious that there was that need to start training Manitoba personnel. I don't know that it followed on the heels within days or months but it followed by a couple of months, I guess, is the best answer.

MR. H. GRAHAM: And that training program was to train what? Judges or stewards or what?

HON. J. STORIE: Judges and stewards.

MR. H. GRAHAM: And was that program embarked upon?

HON. J. STORIE: Yes, it was and it is.

MR. H. GRAHAM: And the province hired judges in training?

HON. J. STORIE: The province didn't, but the Racing Commission did, yes.

MR. H. GRAHAM: The Racing Commission hired judges in training?

HON. J. STORIE: Yes, essentially that's it and that was one of the reasons that they gave for the increase in Commission costs.

MR. H. GRAHAM: That program of hiring judges in training, how many judges were hired under that program?

HON. J. STORIE: Only one at that time.

MR. H. GRAHAM: Can the Minister indicate who that person was?

HON. J. STORIE: There was one judge and one steward, Mr. Chairperson, and the names are Mr. Macdonald and Noakes.

MR. H. GRAHAM: What was the previous occupation of Mr. Macdonald when he was hired?

HON. J. STORIE: Mr. Chairperson, he was the race secretary for Assiniboia Downs.

MR. H. GRAHAM: Was he not also acting as a judge for the Racing Commission?

HON. J. STORIE: No.

MR. H. GRAHAM: Did he ever become a judge for the Racing Commission?

HON. J. STORIE: Yes.

MR. H. GRAHAM: Is he still a judge for the Racing Commission?

HON. J. STORIE: He is a steward.

MR. CHAIRMAN: 3.(c)(1)—pass - the Member for River Heights.

MR. W. STEEN: Mr. Chairman, to the Minister, there's a reduction in grant assistance here. His announcement of a couple of weeks ago, does that alter this grant assistance that's listed under 3.(c)(1)?

HON. J. STORIE: No, there are two different issues here. One was the grant assistance which by and large goes to purse support and the second issue is the amount of takeout from the wagering. What was reduced, what was announced some time ago was the 3 percent reduction in takeout, but there is no change in terms of grants still provided on the same basis.

MR. W. STEEN: All right. The 1985 listing of \$3.5 million has nothing to do with the fact that the Commission went to a 15-month Annual Report the previous year?

HON. J. STORIE: That may be one of the reasons why it's high, yes.

MR. CHAIRMAN: 3.(c)(1) - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, so far we have dealt only with racing at the Assiniboia Downs, but that's not the only place where racing is carried on in the province.

Can the Minister indicate if there is any change in - what do they call it - the Great Western Circuit this coming year?

HON. J. STORIE: Yes, I understand that there have been two applications to increase race days, McCreary and Miami, and subject to their providing sufficient information it is quite possible that those two additional days will be provided.

MR. H. GRAHAM: Mr. Chairman, the McCreary racing, would that be harness racing or would that be quarter horse?

HON. J. STORIE: Mr. Chairperson, that's harness racing.

MR. H. GRAHAM: Is there any application from McCreary for quarter-horse racing this year?

HON. J. STORIE: No, Mr. Chairman, not to my knowledge.

MR. H. GRAHAM: Is there any application for racing quarter horse at Rosburn this year?

HON. J. STORIE: Yes, Mr. Chairperson, there are two days.

MR. H. GRAHAM: Are there any other racing dates in for quarter-horse racing this year?

HON. J. STORIE: There will be no quarter-horse racing on a pari-mutuel basis. There may be, in effect, demonstration-exhibition races.

MR. H. GRAHAM: In the past, Mr. Chairman, I believe there were two or three or maybe four races at Assiniboia Downs on quarter-horse racing. Is that now scrubbed?

HON. J. STORIE: No. That is still ongoing and they race perhaps one or two races per week, September and October of the year.

MR. H. GRAHAM: Mr. Chairman, is Swan River now no longer a member of the Great Western Racing Circuit?

HON. J. STORIE: I've got my dance card and I can't find them. They did not apply this year, apparently.

MR. H. GRAHAM: Swan River was not in last year either, were they?

HON. J. STORIE: No, Mr. Chairperson. They were not in last year either.

MR. H. GRAHAM: Mr. Chairman, does the four days of racing at Yorkton come under the Great Western or is that under the Saskatchewan racing?

HON. J. STORIE: Mr. Chairperson, I'm not sure of the body, but it doesn't come under the jurisdiction of the Great Western Racing.

MR. H. GRAHAM: It does not?

HON. J. STORIE: No, it does not.

MR. H. GRAHAM: Those are basically the questions I have on — (Interjection) — the . . .

MR. CHAIRMAN: 3.(c)(1)—pass.

Resolution 24: Resolved that there be granted to Her Majesty a sum not exceeding \$8,427,000 for Business Development and Tourism for the fiscal year ending the 31st day of March, 1986—pass.

What is the pleasure of the committee?

4.(a)(1) Expenditures Related to Capital, Capital Grants: Canada-Manitoba Tourism Agreement; 4.(a)(2) Canada-Manitoba Winnipeg Core Area Agreement, Small Business, (2)(a), (2)(b) Less: Recoverable from Urban Affairs.

4.(a)(1) - the Member for River Heights.

MR. W. STEEN: Mr. Chairman, if the Minister would be kind enough to just briefly - we did cover Urban Affairs quite extensively. We've covered the Core Area, Small Business Assistance. He's introduced the new agreement with the Federal Government as of today; we're down \$2 million in this department. Is that because we were waiting for the new agreement? Is that why the large reduction is that there was no new agreement until today?

HON. J. STORIE: That's essentially it. There was a certain amount remaining and shows a reduction because of the lesser amount.

MR. W. STEEN: 4.(a)(1) and (2), you can pass.

MR. CHAIRMAN: 4.(a)(1)—pass; 4.(a)(2)(a)—pass; 4.(a)(2)(b)—pass.

Resolution No. 25: Resolved that there be granted Her Majesty a sum not exceeding \$3,209,500 for Business Development and Tourism, Expenditures Related to Capital for the fiscal year ending the 31st day of March, 1986—pass.

Back to the Minister's Salary . . .

HON. A. ANSTETT: Pass.

MR. CHAIRMAN: 1.(a)(1); 1.(a).

MR. W. STEEN: The Government House Leader was moving pretty quickly there, Mr. Chairman.

I had said earlier that I thought we would finish at 10:15 and I kind of missed that target by a few moments, but if the Minister will bear with us for a few more minutes I think that we will conclude his Estimates completely; if he doesn't have a lot of zing and fight left in him we'll likely finish within 10 minutes.

Mr. Chairman, we have spent a great deal of time reviewing the Department of Business Development and Tourism's Estimates. We have gone into a great deal of discussion in a number of areas within the Minister's

Department. In the Business Development area I have tried to encourage this Minister in the area of encouraging employment by saying to him that I have, as do all members of the opposition think that the payroll tax is a regressive tax. The Leader of the Opposition has said, and he will be campaigning in the next election, that that will be one of the first pieces of business after the next election that will be done away with when there's the Progressive Conservative Government in place.

I have made mention to the Minister that the encouragement of manufacturing is an important area that should be looked at by the Business Development and the one area that I spent some time on was discounting hydro rates for Manitoba manufacturers; and particularly new persons who would establish manufacturing plants in Manitoba. I believe that if we're going to expand our hydro development in Northern Manitoba, that Manitobans should be the ones that get first advantage of any discounting in prices and if we're going to attach our major hydro agreements to coal prices in the United States, which we have no jurisdiction or no control over, I would encourage this Minister, as long as he's in this portfolio, and I would certainly encourage any new government that they really take a hard, serious look at a discounting of hydro rates for new manufacturing, whether it be for a five or to a seven-year period so that we can increase manufacturing in Manitoba.

Another area in the Business Development area that a lot of discussion was on was regulations that business people are faced with - labour regulations, and it's been said by the Leader of the Opposition that an important aspect in any government of his would be to have a long, hard look at labour regulations that are in place, to find out those that are a disincentive towards business and see if those can be reviewed and, in some cases, dismantled.

In the Province of Saskatchewan, they have done away with some 700 regulations that were affecting business people in the first three years they have been in government. We spent a lot of time in the area of tourism and we've discussed the fact that the Minister and his department has got to have, and the Minister has made the statement a number of times himself, a very aggressive marketing program in the area of tourism. We have had a deficit in tourism in the Province of Manitoba for the past 10 years. This deficit has also applied in other areas of Canada and now with the dollar difference between the American and the Canadian dollar, if there was ever a golden opportunity for Canadians to take advantage of tourism in Canada, now is the time that we should be increasing our marketing concepts and hopefully balancing and writing this deficit that we have in tourism.

With the new Economic Development Agreement that has been signed as of this morning between the Manitoba Minister and his federal counterpart, hopefully we're going to have some major programs in the next five-year period that are going to attract tourists to Manitoba. The new tourism agreement has emphasis on major components and my earlier statements this afternoon was I hope that Manitobans can come up with the initiative and the private dollars so that people that are entrepreneurs within the Province of Manitoba will be able to take advantage of this new agreement

that has just been released to the public and hopefully the many programs for development will take place over the next five-year period.

We, this evening, have spent a great deal of time on the Horse Racing Commission and it, in my 10 years time, has likely has the best and the most thorough examination tonight that it's ever had in a 10-year period; and I feel that it was justified, because as I said in my remarks that the Horse Racing Commission, unfortunately, the Premier has had three different Ministers in place looking after this Commission.

The people in the area of tourism say this, that the Ministers get moved from this portfolio so frequently and that they just get to know a Minister and he just starts to get a handle on it and then he's replaced by someone else. Well, the Horse Racing Commission has had three separate Ministers; it's had three separate chairmen and three separate Supervisors of Racing, so it has gone through some growing pains in the past four-year period.

I feel that the increased expenses that the Commission has within its budget, in order to be justified, the Commission is going to have to work doubly hard to see that and to hopefully smooth over some of the difficulties that has faced the horse racing industry in the past four or five year period. As I said to the Minister in my suggestion earlier this evening, the public feels that it should be protected and my suggestion that a detachment of skilled police personnel at the track hopefully will be investigated by the Horse Racing Commission in conjunction with the Winnipeg Police Commission and the police chief and that Manitobans will get that benefit of having a skilled police officer who knows the horse racing industry and is assigned to the track on a permanent basis, that something along those lines could happen in the near future.

The Minister has undertaken certain obligations during our examination of his Estimates. He is going to check with the Horse Racing Commission regarding the racing impact study to see if it can be released to myself; and as I said to him, that if there are some matters dealing with individuals there, that I certainly have no objection to them being erased from the impact study, but if those matters can be erased from the impact study, hopefully the Minister will see no reason why a copy of the study can't be turned over to myself, because the only way that both the Minister and myself can understand the Horse Racing Commission and the activities that take place in the horse racing industry is to have a better knowledge of what's going on. If this Impact study went into such details as to what lays ahead for horse racing in Manitoba, I think that it's a study that should be read by both the Minister and myself if it would be beneficial to horse racing.

The Minister also undertook to supply myself with some detailed information regarding the Destination Manitoba grants that have been passed this evening and the other day undertook to find out for me some detail regarding the Winnipeg Core Area Initiative payments information.

In closing, Mr. Chairman, if the Minister would, over the next few days or few weeks, come through with those last three requests that I have made, I think we have taken twice the time this year to do this department's Estimates and I know that I personally

know the department far better than I did Thursday morning of last week. I think that we have had an excellent examination of the Minister's Estimates. I thank him for the answers that he has given us to date and I look forward to receiving the ones that he has undertaken to supply me in the future.

HON. J. STORIE: I appreciate the member's comments. I think the review of the Horse Racing Commission was thorough. I can say, unabashedly, that I'm extremely interested in the Horse Racing Commission and the industry and have reviewed a number of the problems that have been vetted through the media and as in most cases where there is smoke, there is some fire. I've said previously that there is no major blaze under way and that there are no insurmountable problems and that we're working in a co-operative way to deal with those problems that exist.

I feel that the last number of years have been trying, but that we're in a very good position. We have a Commission that has been co-operative, is seen to be co-operative by the vast majority of people involved in the industry, and we are taking steps to involve people at all levels so that we have a good working relationship with all the groups involved. I believe that the statistics that I quoted earlier show pretty clearly that we're on the right track, if you'll forgive the pun.

The member's comments about Small Business and Tourism, I think he, essentially, recapitulated his earlier comments and concerns. I have said and maintained and continue to maintain that the small business sector is out there doing its usual fine job investing in the province despite the doom-and-gloom scenario that is painted by some. I think that the fact that there is significant increase in capital investment coming to the province through out business people shows that confidence exists.

We believe and the member quite rightly pointed out that we discussed a number of issues relating to taxation and regulation. We believe that there has to be a balance, that there is room for progressive legislation dealing with the concerns of working people, whether it be with pensions or safety. We believe that there is also room for a government to support economic development. As the member knows we have gone through a pretty extensive list of the kinds of programs that are available through business development to support that development. There has to be a balance. No one group can have their concerns and their interests receive preferential treatment, if you will; that there has to be a balance and that I'm convinced and I believe that I can sit down with any group of people and show them that this government and this department - this government I should say; we'll leave the department out of it for the moment - has delivered a relatively balanced set of both legislation and programs dealing with individual human concerns and dealing with the very real concerns of small business.

I know there are those strident outspoken individuals in the community who tend to see things, in my opinion, in a rather one-sided way. I find it intriguing, if not frustrating, that we can introduce programs such as Development Agreements and Venture Capital and Feasibility Assistance and Manufacturing Tax Credits, all of which receive hearty support from business groups

and, yet, when we introduce legislation regulations, which are designed to support and protect working people, those are deemed to be unnecessary and undesirable.

We believe that overall that balanced approach is supported by the majority of Manitobans, be they businessmen or working people. We believe that, and I feel - this perhaps is intuition and my own perception - that there is a growing confidence, a growing recognition that Manitoba has weathered the economic storm relatively unscathed. I think that we're poised because of a lot of the major developments that are occurring around us and because of the efforts of the government with respect to its co-operative dealings with the Federal Government and other levels of government, that we're poised on a moment of growth, that small business can and will flourish over the coming months. I think it's a positive message and as the member can quite clearly see, I'm not wearing my rose-coloured glasses tonight. I think my perception is based on objective substantiated facts that come from Statistics Canada and the prognostications of other eminently qualified groups.

I find that this department poses a particular challenge and one of the challenges, and the member is perfectly aware of it, is to create that sense of confidence to dispell some of the myths that fly from room to room and from person to person in the province that aren't substantiated by any facts, that are myths and rumour-mongering and disincentives to the real business that we all want to occur and that is investment in the economy and growth in the number of jobs and a stable economy for our province and for the people who habit it.

I would finally like to say that I believe the member has given the department a fair and thorough airing. I certainly appreciate his persistence and his desire to understand the workings of this department. I think it's been a, while formidable process, one that has been at the same time amicable.

MR. CHAIRMAN: 1.(a)—pass;

Resolution 22: Resolved that there be granted to Her Majesty a sum not exceeding \$823,600 for Business Development and Tourism for the fiscal year ending the 31st day of March, 1986—pass.

What's the pleasure of the committee?

HON. J. STORIE: Committee rise.

MR. CHAIRMAN: Committee rise and go home.

SUPPLY - ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH

MR. CHAIRMAN, P. EYLER: Committee, come to order. We are considering the Estimates of the Department of the Environment and Workplace Safety and Health, Item 2.(a)(1) Environmental Management, Environmental Control Services: Salaries - the Member for Niakwa.

MR. A. KOVNATS: Mr. Chairman, there are a couple things here that we wanted to discuss concerning the water pollution control operation. Usually when I start speaking everybody leaves, but it's nice when they come walking in.

Okay, let's get down to it. The water pollution control operation which protects the aquatic ecosystem and groundwater, can the Honourable Minister advise whether there has been any problems or has the problem been corrected out at Portage la Prairie?

It seems to me that a year ago there was some problem of the pollution of wells around the Portage dump. Can the Honourable Minister bring us up-to-date?

MR. CHAIRMAN: Mr. Minister.

HON. G. LECUYER: Thank you, Mr. Chairman. Yes indeed, the problem the member refers to, that was part of the landfill site surveys that were conducted throughout the Province of Manitoba. It was part of a Canada-Manitoba study that went on for a three-year period which narrowed down the number of landfill sites; and those sites with problems, one of those indeed was the Portage landfill site, and the problem the member refers to has to do with the fact, in particular, there were traces of arsenic found in the water near the Portage landfill site.

That indeed has not been completely resolved, and it will not be completely resolved to the satisfaction of everybody until Portage has a new landfill site. They're nearing the end of the use of the Portage landfill site.

There is also potentially legal implications or court cases that might arise as a result of that particular one. I don't want to go in too much detail in reference to that, but I think it's safe to say we know there is a limited usefulness left of that landfill site. We have indeed made that known to the Portage Council for some time now. We are pressing them to indeed seek a new landfill site to avoid increasing the potential harmful effects that have been detected at that particular site, but the problems could reoccur if no other landfill site is chosen.

MR. A. KOVNATS: Well, I'd like to proceed just a little bit further, Mr. Minister, concerning this particular item, not just the Portage area, but the water pollution control that you have set up throughout the whole of the province, I think, including the Western Equine Encephalitis Monitoring Program which I think comes under this particular program also and the mosquito control - in the Department of Environment and Workplace Safety and Health, in your annual report. Possibly I skipped a page but if the Honourable Minister wishes me to speak on that at a different location, I'd be happy to do so. Would you rather that I ask questions on that at a different heading?

HON. G. LECUYER: Mr. Chairman, I have no problems of the honourable member asking questions having to do with water pollution anywhere in this particular area, except that it would be very difficult for me to answer unless the member makes it a little more specific what he's dealing with, because we could deal with water pollution from very many standpoints and very many locations.

The department is monitoring water quality for a variety of reasons, and there has been a variety of projects for which water has been monitored throughout the Province of Manitoba, whether it's for mercury in

the North, whether it's for radiation in Lac du Bonnet or wells in that area, whether it's for pesticides in a variety of streams or lack of oxygen in a number of other streams. I could go on and name a variety of other sources of contaminants and sources of water, whether it's sewage effluents in a number of streams as well.

So I have no problems as long as the member will help out in making a little more specific what his questions are about.

MR. A. KOVNATS: I think, to the Honourable Minister, we could cover that under the Clean Environment Commission where it will be under mosquito control and water going into the Red River from the City of Winnipeg and things of that nature. So that will come under the Clean Environment Commission, which is Item 3.

But in the meantime, when we talk about water pollution control, I have a letter here from a chap that lives out in the Rural Municipality of St. Andrews. It's Order No. 1050 of the Clean Environment Commission concerning the lagoon site at the Village of Dunnottar. I have been involved with it for quite some time, and I know the Minister has, and I know the Minister of Housing, I believe, the Member for Gimli, has been involved with that. It seems legitimate in the request that the people out there who have complained about it and have signed this form, Mrs. Marie Tessier and Mr. Joseph Mohan have got a legitimate request in the manner in which this landfill site is being operated. It's not operated on a 24-hour basis and they feel their drinking supply could be contaminated.

I was just wondering whether the Honourable Minister can advise whether his department has kept a close watch on the drinking supply, the water supply in the area, whether it's been kept pure or whether there has been any damage done to the wells in the area. Can the Honourable Minister advise?

HON. G. LECUYER: First of all, of course, the question of lagoons is one that comes under regulation. In particular, this one comes, as the member has indicated, under Clean Environment Commission Order 1050 on September 18, 1984. The order specified discharge limits, discharge routes and monitoring of groundwater.

The member is correct. There are some people who did appeal that. In fact, the town appealed it as well, so both sides had appealed this particular Clean Environment Commission order.

We reviewed that order for a lengthy period of time because I wanted to be satisfied that the new lagoon for itself met all of the requirements of the regulation in terms of how the sides and bottoms of that lagoon would be properly lined with clay soils as required under the regulation, that the effluents would be discharged in accordance with the regulation at times specified in the order, etc.

Eventually after repeated inspections, and we waited until the snow cover was removed from the ground so that we could carry out inspections to ascertain whether some of the complaints raised by the people appealing the order were correct or wrong, and we are satisfied that the Clean Environment Commission order is correct. I have dismissed the appeals on all sides.

In fact, since that has been done prior to carrying on with that final step, I was in touch with both the people of the town council and the residents who had appealed. I believe they would have received copies of the fact that the appeals have been dismissed. We have not heard of them since. I gather they are satisfied.

Technical staff in the Environment Division certainly have been able to ascertain that it did indeed meet all the regulations - it's a new lagoon, of course - and we are satisfied that it was constructed in the manner which is in compliance with the regulations. Although lagoons are a source of problems for somebody, obviously, we are satisfied that it will not create any undue problems for any of the residents in the area.

We hope in the future perhaps when towns do decide that they do have to build a new lagoon or they decide they want to place a lagoon in a particular location, that they would get in touch with our department prior to doing that to make sure that they get the best advice possible in terms of where to locate the lagoon to meet the requirements as well as to avoid problems with residents in the area.

As far as this particular one is concerned, I think there is nothing else I can add on it except to say that the problems that were voiced, copies of which the member got, were indeed concerns that the citizens raised and I think they have a right to do so. I think it's in order that they should express their concerns to make sure that these have been taken due consideration of.

In fact, for the member's information, one of the things we insisted that remain as part of that order was the monitoring process that was part of the order which the town wanted removed. I think the citizens were as much concerned with the fact that the town was appealing and that we might decide to go, or to vary the order to meet the town's requirements of removing the monitoring mechanisms. So these were left in as part of the order, and hopefully it meets all of the citizens in the area's concerns.

MR. A. KOVNATS: To the Honourable Minister, this is kind of a unique situation. I have been involved with it somewhat near the beginning. What I couldn't understand was the route that the effluent, after it was treated, from the lagoon to the lake, which was allegedly to be purified enough so that it could be dumped right into the lake, but the route was the long way around, and I couldn't understand, you know, why it was decided to go the long way around when there was a shorter route to the lake. It wouldn't have required the possibility of contaminating as many wells as there is the possibility that it would contaminate. So that's the problem, Mr. Minister.

In addition to that, Mr. Minister, the people in the area that were complaining, not the town council, but the people in the area that were complaining were complaining because there were pesticide tins that were placed into the dump which is adjacent to the lagoon, these pesticide tins allegedly weren't treated properly and were contaminating the area also.

I have somewhat proof, because they brought me in some pictures to show that what I'm saying is true and that there is the possibility of the water supply in the area being contaminated because of some of the

pesticide tins that were put into the dump and covered over. So I just want the Honourable Minister to be aware of it.

I'm not making any accusations, but the town council supported a longer route to the lake, because it didn't affect them; it wasn't in their backyard, so to speak, Mr. Minister.

HON. G. LECUYER: The route that was suggested by the Clean Environment Commission, although indeed a little bit longer route than a shorter route which was possible, the reason for that, the member should know, was that to follow the shorter route would have meant a great deal more problem for a lot more people. It would have meant as well that the lagoon would then have been emptying into an area of beaches along the Lake Winnipeg where there are a lot of cottages, etc. So it would have created a problem to a lot more people.

So the longer route - I'm not aware that the town objected to that route at all. In fact, to satisfy perhaps some of the citizens' complaints, we would have had to go a much longer route yet at, of course, a lot more costs. I'm not so sure that, from an engineering standpoint, there probably would have been additional costs to change the grading of some of the ditches because of the natural gravity flow towards the lake.

So it will still, after receiving some treatment in the lagoon, then when it is released it's considered rather safe effluent that will also follow a route which will not affect the drinking supplies of the citizens in the area.

Just to be on the safe side of that, the Clean Environment Commission required that there be some monitoring wells established in the areas at various locations around that lagoon site to ascertain that if that should occur remedial action can be undertaken quickly so that the wells would not become contaminated.

MR. A. KOVNATS: That satisfies me, Mr. Minister, as long as I'm assured that there is an ongoing monitoring of the area, but I was led to believe that the effluent would have to be transported or it would have to flow right next to a road. I didn't know the consequences of that - the ditch beside the road - rather than a ditch direct to the lake even though it went by some of the cottages. I don't think that either one of them would have been a better one or a worse one, but through somebody's wisdom they decided to go the long way around.

Can the Honourable Minister advise, concerning the water supply, has there been any danger or any testing at the dump in Thompson, Manitoba? About a year ago, we had a transformer dumped out there with nobody knowing. It was found out and it was picked up and allegedly cleaned up. Can the Honourable Minister advise whether this transformer caused any contamination, and whether in fact, if there was any contamination, who picked it up? Is the Honourable Minister aware of who dumped the transformer into the dump in the first place? Has the cost been transferred back to that person or company?

HON. G. LECUYER: The member raises one that goes back a fairly long time ago. My memory may not serve me as correctly as I would like to on this particular

one. I do remember that it occurred and the member raised it in the House, I believe, at that time.

I know that the oils of that transformer were tested, and they were found to be below the 50 parts per million, which, according to the PCB guidelines or the federal guidelines on this, it is not considered a PCB transformer in that it has levels of PCB that are below the 50 parts per million, which is a very minute trace amount, and is considered to be suitable for landfill at that level.

If my memory serves me correct, I believe the transformer, as added precaution, was emptied, and the oils from that transformer were not placed in the landfill, but I will have to review that one to make sure that is correct.

The soils, as well, were tested in the area to determine whether there was any in the soil in the landfill site of a greater amount than 50 parts per million. As well, the route that was taken to take that transformer to the landfill site was also checked to determine the same thing.

So as far as what was done with the oils from that transformer, I would have to go back into detailed information, which I don't have available now, but I can get for the member.

MR. A. KOVNATS: To the Honourable Minister, I had spent some time in Thompson in 1963, and I was certainly aware of it. The Honourable Member for Thompson had also mentioned it at the time, and it upset us all because it was the lack of control of dumping some of these PCB materials into dumps. It was just the lack of control, and we wanted to make sure that it didn't happen on a regular basis. If somebody was doing it on purpose, because I would think that somebody who was dumping a transformer would certainly know that it was illegal to do so.

Anyway, can the Honourable Minister advise whether there has been any testing up in the Thompson area in the last year, and what is the routine in testing landfill sites and dumps on a regular basis? Is there a regular routine the government follows in testing these, or just when they feel like it, or when they get a complaint?

HON. G. LECUYER: I did refer earlier to the program of monitoring landfill sites in Manitoba. Many of the still active landfill sites and a number of no longer active - I believe there were some 530 active landfill sites that were part of the inventory. There were some 750 altogether. The results of that study indicated that there were some problem landfill sites, which were the subject of a further phase of that study for a more in-depth analysis and monitoring.

That was further narrowed down to a small number, a dozen approximately, 11, I believe it is, landfill sites which we are continuing to monitor and to assess. Some of those communities have been advised to seek other landfill sites.

The purpose of the whole study was to determine basically which were the landfill site problems so that we could go on to keep a closer watch and a closer monitoring approach at those sites that were a problem area. Obviously, we cannot routinely on an annual basis go back over the 750-odd landfill sites if there are no identified problems, especially if they're no longer in use and they don't create any source of problems.

As well as that, of course, there are sometimes complaints that are brought in, because even though a landfill site may not have been a problem the previous year, all of a sudden there could be someone who goes to one of these landfills and dumps substances that he's not supposed to dump. Our staff goes in to assess whether there is a problem that has to be dealt with, and then discusses and deals with the community in regard to those specifics.

But as far as the ongoing monitoring system, the wells that are put in place, for instance, in the Brandon landfill sites to determine the problem with methane gas; for instance, in the Portage landfill site in regard to the arsenic that was present in there. There are a few others. The one in Virden is one where there is considered to be a problem landfill site. There are a few others.

So we're following and continuing to monitor and evaluate those sites on a very close basis, and interacting with the communities in those areas.

MR. A. KOVNATS: Getting a little closer to home, I know it's a big job because there are all kinds of landfill sites and all kinds of garbage dumps that have been covered over. You really don't expect the problems that do occur.

For instance, we have one just down Laglmodiere Boulevard where there was a methane gas problem. There were buildings built right over on top of it, and the problem still exists. It's still there. The buildings haven't been used for years.

A MEMBER: The gas just keeps coming.

MR. A. KOVNATS: The gas just keeps coming is right. There has got to be some way of bringing it to a head so we don't have to worry about it. One day there's going to be a big bloody explosion and somebody's going to get hurt. I don't want to be like Chicken Little and cause alarm, but it could happen. We had an explosion downtown, a different matter altogether, but it does happen. You can't say that it just doesn't happen.

What are we doing to correct this situation? I know it's in the City of Winnipeg and you can't just pass it off and say it's their responsibility. I believe it's the responsibility of the Provincial Government, not just this one over here down Lagimodiere Boulevard, throughout the province, other garbage dumps because it's going to blow up and it's going to blow up in the Honourable Minister's constituency. So what's he doing about it?

HON. G. LECUYER: As part of that, I didn't have the exact number a while ago, and I wanted to make sure I gave the member the correct information. In terms of those landfill sites that were monitored at that survey, among those there were 138 landfill sites that are no longer in use. So we are indeed trying to determine how much, to what extent there is a problem.

When we're talking about a landfill site that is no longer in use, we're talking about a landfill site obviously that was in use a long time ago a obviously, it's not once you stop using a landfill site that you suddenly get problems. Obviously you have problems of the accumulated effects of years of landfilling under improper conditions.

There is a regulation for landfills. There are three categories of landfill sites, and some of these landfill sites in cities like Winnipeg obviously are controlled. They have to be fenced in. There has to be someone there at the landfill site on a full-time basis to control what goes in, how it's covered.

Obviously, the member is right. There is no way you can landfill sewage and expect that simply because you're going to cover it with soil, it's out of sight and no longer any problem. We are, by the way for the member's information, updating that regulation currently, but as well the regulations in place today are more specific in terms of what goes in the landfill site than they were when these sites that are no longer in use and are a problem.

But with some of those sites, one of the things we have to do to help the problem resolve itself in time is to put in these types of venting wells so that the methane that is there will escape in a faster manner and will escape where we want it to escape and not just anywhere there happens to be a crack in the soil. That is what has been done, for instance, to help remedy the situation in the Brandon area.

Obviously it meant that in the meantime the City of Brandon couldn't take any chances that some of these would blow up. So some of these buildings were closed, just as the ones that the member refers to along Lagimodiere were closed up and still are boarded up and will be until these venting systems have allowed the methane gas to escape to a degree that is considered safe.

But the other landfill sites that are in use currently, for instance, in Winnipeg, and the member knows of one that's further up just off 59 Highway, that is being landfilled in a different manner.

But the fact remains, and that is why this Minister is very concerned about what we do with our hazardous wastes. That's why I want to proceed to deal with the whole management of our hazardous wastes in a different manner. The City of Winnipeg has submitted a plan, for instance, to transform its - what is it, the Amy Street? - the Amy street plant to make of it an incinerator so that we could, in future years, burn a lot of these garbage wastes and produce heat energy with it.

As you know, they are carrying on discussions. I believe the Minister of Health referred to those in his Estimates when he said that part of the solution to that one was contingent upon the Health Sciences Centre coming to some agreement to buy the energy that might be produced in such a plant in order to burn much of our solid wastes produced in the City of Winnipeg.

Obviously a lot of that problem will also resolve itself in us putting into place more and more recycling systems to reuse some of the glasses and the plastics that are part of these wastes. It appears to be a simple matter on the surface, but to put such a system in place is a rather complex and very costly one. It will take time to occur, and it is intended as part of our management of solid wastes.

As well, we have to see if some of these substances cannot be used in other ways through the incineration or whether it's through the recycling or whether it's through creating a biomass that can be used as fertilizer, or whatever, compacting them. There are a variety of new technologies that might be appropriate for

Winnipeg, depending on costs and quantities produced. So as part of that management of hazardous wastes, all of these will have to be looked into.

MR. A. KOVNATS: I was going to ask some more questions concerning a particular dump that I saw out of town on Highway 201, I guess it was, because it's close to Menisino and I was doing some dumping out there. Right underneath the sign that says, "Do not dump any dead animals," there was a dead animal. I know that the Honourable Minister can't possibly get out to control these or hasn't got enough staff, but I want to pursue that in encouraging people with dead animals to get in touch with rendering plants, particularly here in the city, and maybe even come to some arrangements with them to go out and pick up the dead so that they're just not dropped off in dumps or left in fields or dragged off into the bush and left to rot for the bears and other animals to get at.

I think the Honourable Member for Fort Garry wishes to ask a few questions on landfill sites, so I'll just let him proceed.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Mr. Chairman. I believe that the City of Winnipeg Hydro steam generating plant, I think it's on Amy Street, is under basically a cleanup order. I think it's within two or three years, they either have to meet new standards or tear down the structure.

What I would like to ask the Minister some questions on is relating to the city's proposal to install basically a fuel or garbage-burning site just behind Portage and Main, some location in there. Has the city requested an extension of time on their Amy Street steam plant to allow them to have further time before they have to commit to this project or make improvements to the steam plant?

HON. G. LECUYER: The member is correct. The City of Winnipeg is - I don't remember what exactly the date is by which they have to comply to the order and I'm trying to find out if I have this information here available - September, 1985, I am told is the date by which the City of Winnipeg is to bring that plant under compliance.

Now quite obviously the City of Winnipeg will not be in a position, especially if it intends to proceed with transforming that plant into an incinerator to burn solid wastes, to comply by that date and there are discussions presently under way. I have had a meeting with staff quite recently to deal specifically with that question. There are currently discussions with the City of Winnipeg with a view to ascertaining where they're at with the development or implementation of that plant, where the discussions stand, for instance, with the Health Sciences Centre. On the basis of that, we expect the City of Winnipeg is going to request an extension of the current order until they are able to decide whether they are going to proceed with transforming the plant into an incinerator or putting in place the scrubbers that would control the amount of emissions.

MR. C. BIRT: The city has undertaken some studies on this burning of garbage plant that they propose to

install, and I believe it's a fairly extensive and expensive proposal that they're undertaking. I believe after the preliminary study, a second study was put into place to find out the more specific details of it. Did the Provincial Government participate in this study? In other words, is it a joint study as to the best way of bringing about this proposal?

HON. G. LECUYER: I understand there was some provincial funding that went in there, but not from my department but from the Department of Energy. I cannot give the member exact amounts of what amount of funding went into it, but staff from the Environmental Department did participate in the review process, the review of the study at the time that it was being carried out.

Obviously, if the city as part of its second look at it, as the member refers to, decides that it might wish to proceed, then there will obviously as part of that implementation program would have to be an environmental assessment review or impact to determine what impacts to the environment it might have. As well, of course, the city will want to determine how viable that option is in terms of overall costs. I believe the city has already indicated that should the Health Sciences Centre be part of it, that it would probably become a viable operation at that point in time.

But I personally don't have at this point in time any details of that second analysis they've made of that report.

MR. C. BIRT: Mr. Chairman, another question to the Minister, the time is rapidly coming to the point where the city has to commit itself either to install the scrubbers and other equipment necessary to clean up the steam plant. I believe it's an order under the Clean Environment Commission.

HON. G. LECUYER: It's a regulation.

MR. C. BIRT: A regulation? Then the Minister has a more direct say, I would take it then, in whether or not this can be extended, because I think the point is rapidly approaching now, whether or not the Provincial Government gets involved through the Health Sciences process of signing up for the steam and committing itself to those monies and I can appreciate that's another issue.

The question is though that it's been a problem for a long time, as everyone realizes. I really think it's a question now of bringing it to a conclusion, because I don't think you can keep on studying the issue. I'm wondering if the Minister will be taking any steps or is meeting currently with them to either do one of two things, to put a definite deadline on the city or, secondly, to negotiate a timetable where they will either clean up the existing operation or implement this new proposal.

HON. G. LECUYER: I already did indicate to the member that staff were already meeting with officials of the city to discuss this issue. It is true that this has been a problem for a long time, but it hasn't been a long time since the city actually has that report and

the city especially would want to certainly pursue some of the information that was provided in that report to determine again in order to arrive at a decision whether to proceed that route, because for one thing as part of that process itself it would have to include apparatus to prevent emissions to the immediate environment. But if the overall operation proves viable, then it becomes more interesting for the city to pursue that route.

But the simple answer to the question raised is, yes indeed, we are interested; we are concerned, and we will proceed with having discussions with the city.

MR. C. BIRT: Mr. Chairman, I believe the last reported figure for the project was quite expensive to undertake, \$100 million, extremely expensive and would impact on the capital structure of the city. Is it in the departmental policy to help fund these, or to contribute to these types of projects, or would that fall under a different departmental budget?

HON. G. LECUYER: It certainly wouldn't be within the Department of Environment to pursue that route with the size of the budget of the Environment Department, but the normal practice would be to pursue that within the Department of Urban Affairs or through the Jobs Fund. There are other routes.

I would think that, more likely, that would be one of the subjects that the city would want to pursue with the Committee of Urban Affairs, on which sits a number of Cabinet Ministers and a number of representatives of the city, and discussions would be pursued at that level.

MR. C. BIRT: One final question, when an order is made to undertake certain things, whether it be government or private enterprise or whatever, to take remedial steps, has it ever been an order of the Clean Environment Commission or has it ever been government policy that they would recommend contributing public dollars, provincial dollars in helping cleaning it up?

HON. G. LECUYER: I don't know if the Clean Environment has included it as part of its recommendations in the past, but there is provision for doing just that in terms of land use conflicts, for instance, whereby municipalities or, in this case, the City of Winnipeg could make such a proposal whereby I would propose the cost-sharing of putting in place an abatement program which, in essence, this would be. The possibility does exist, yes.

MR. C. BIRT: Thank you.

MR. CHAIRMAN: The Member for Lakeside.

MR. H. ENNS: Thank you, Mr. Chairman. I just want to take a moment or two, Mr. Chairman, to enlist this Minister's support, because there are obvious to him a number of areas and issues I know that he as a Minister, and his department would like to do things, would maybe like to participate in some imaginative ways as was suggested by the Member for Fort Garry with respect to and in co-operation with the City of

Winnipeg in a public way, introduce some new ways of disposing more solid wastes, introducing new energy programs.

I'm sure this Minister would like to be able to do something about many of the problems that are associated with his department. But, Mr. Chairman, this is the same Minister that sits around the same Cabinet table who will acknowledge that we will pay \$14 million or \$12 million this year to make buses that we don't make any money on; of \$4 million or \$5 million, in total perhaps as much as \$8 million or \$9 million to produce seed in Brandon that unfortunately we're not making money on.

This Minister will go along with the \$200,000-a-year contracts plus expenses to a Chief Executive Officer in Manfor that we are likely going to lose another \$14 million or \$15 million on this year, and have cost Manitoba taxpayers in excess of \$150 million if not approaching \$200 million.

Mr. Chairman, this is the same Minister; he wears a dual hat. He is now Minister of the Environment, and telling us that he would like to do many things in his department in terms of using some of the public resources to help clean up our environment, but he's the same Minister that has to acquiesce and to acknowledge and put his signature to Orders-in-Council that make this kind of transfer of funds to some of the less productive areas that he is, as a member of the Treasury Bench, involved in.

I simply want to tickle him a little bit, Mr. Chairman, and perhaps even encourage him a little bit, because you see this is the area where the public has a responsibility and public expenditure of money has a real need to be filled. I want to remind him how much more he could be doing in this department, how much more he could be doing for the environment of Manitoba if he were to assert himself a little bit, if he would carry his full weight around that Cabinet table and said, hey, to his colleague from Brandon East or to his colleague responsible for Manitoba Flyer or to his colleague responsible for Manfor, and say, yes, I want jobs just like everybody else in this Chamber, but at what cost? At what cost to my department?

Mr. Chairman, I say to him very very seriously that he could be doing considerably more if he took a broader look at the expenditures of his government, and appropriated to his department, to his ministry the kind of funds that he requires to do the job that our environment requires.

HON. G. LECUYER: I almost thought there when I was listening to the Member for Lakeside that we were on the Minister's Salary. I wouldn't have risen to debate had we been, but seeing we're not I'll let myself be tickled to the point where I'll respond.

The member will also note that I've put on a little bit of weight and I've been exercising it. That is why in the introductory remarks I made this afternoon I certainly did announce a good number of initiatives that we are taking through my department. You know, if it was as easy as the member seems to imply - I'm not handing it back in a manner that would make the member's remark seem unreasonable or at all not serious, but on the other hand, I have to take it with a grain of salt, because I do believe that the member knows better than what he is saying.

Obviously, as the Minister responsible for the Environment, there are loads of things that I would like to do in Manitoba to bring Manitoba's environment to the point where it is the best environment that one could think of, the one that could be an example for all the other provinces to point out and say, well, look, it's what is being done in Manitoba. But the member knows full well, and many of his colleagues have made remarks to that effect in this House, in terms of one has to be responsible - — (Interjection) — I hope the Member for Lakeside is listening to my responses, as I listened to his comments - as a member of Cabinet not only to his department. One cannot just carry a pipedream and just say put it all here. As I've said, I am satisfied that we are, as a department, being treated fairly, and we are being allowed to undertake new initiatives that have important ramifications for the improvement of Manitoba's environment, for the safeguarding of it and for improving so many aspects of it.

For the member's information, I want to tell him that I spent the whole of Saturday morning in water up to my waist in the Seine River with my hands and my boots cleaning out unfortunately some of the mess that is put in there by citizens that lack responsibility. I do believe that we have to make that grow, so that we develop that awareness in every one of our young people across the province, so that we have perhaps a body of concerned citizens that will look, for instance, not only after every one of our rivers and streams to make sure they are protected in an environmental, safe manner for the pleasure and enjoyment and for the protection of our health, but we carry this on and develop that kind of awareness in every one of the citizens of Manitoba.

We won't have to spend so much money cleaning the damage. We can put the money into putting in place systems that will prevent the damage from occurring in the first place. So we have to look at it from a reasonable standpoint. I think we are getting a fair share which enables us to carry on with some of the programs that are necessary, to begin new initiatives, to pursue the Hazardous Waste Management Program, to pursue some recycling innovations in Manitoba, and to continue some of the monitoring that is necessary to maintain the quality of our lakes and streams and our soils and our landfill sites, to carry on with such projects as we initiated a few years ago, such as the Pesticide Container Disposal Program which has shown a lot of beneficial results.

We have some 16, 17 pesticide container crushers now in place in the province. We had two originally and they both belonged to the department. They were eventually given to two unions of municipalities. They in turn convinced their colleagues in the other municipalities to follow their example, and there are now a lot of municipalities that built their own. We continue to collaborate in a program like that to assist in collecting the residues. That's just an example.

But there are a lot of other issues that we are pursuing in that respect, a lot more than we would want to, but I have to carry on also my responsibilities as a member of Cabinet to the overall provincial programs that are also carried through with other departments.

So even though as the Minister responsible for our environment, my first priority and my first concern, of

course, and I would like to be able to carry on with some of the dreams I have and projects I have, but I know that I have to be reasonable and responsible as well.

MR. H. ENNS: Mr. Chairman, I want to put it on the record. I don't doubt for a minute this Minister's sincerity and dedication to the job that he's trying to do. I applaud his leadership for wading waist-deep in the Seine River and helping to, in a demonstrable way, clean up the environment, but the Minister didn't answer my question.

I am simply pointing out to him that because for some reason we want to manufacture buses for Chicago and San Francisco and Toronto we are losing, the Manitoba taxpayers are going to be losing, more money than this Minister's entire department spends. You, Mr. Minister, are asking us to spend \$12,201,600 to protect the environment of Manitoba. We haven't had the report from Flyer, but we are going to lose likely \$12 million to \$14 million to put buses in Chicago; that's what I was asking the Minister, Mr. Chairman.

I am simply saying to the Minister, use your influence in Cabinet, bring some rationalization to how this government is spending their money, because I happen to believe that this Minister could spend some of that \$12 million or \$14 million in the protection of Manitoba's environment better than we can in losing money on some of these ventures.

Thank you, Mr. Chairman.

HON. G. LECUYER: I will not rise completely to that bait, Mr. Chairman. I know that the Member for Lakeside there is a little bit mixing apples and pumpkins. It's all very well, but first of all this Minister is not responsible for some of the issues that the member raises. I am not responsible for Flyer. There again, the member would like to put that in a very simple nutshell. The member knows that Flyer has been there for some years, and the member simply portrays Flyer in one light in terms of its cost.

There are other aspects that have to be taken into consideration - what are the benefits - but I am not as I said, going to analyze or equate that to this Department of Environment. The member will have the opportunity to raise this in other instances - I know he has already - and we'll get the answers when we're talking about apples and apples.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: Yes, Mr. Chairman, I would like if the Minister could please explain the province's present position regarding the cottage development on Shoal Lake, to protect Winnipeg's water supply.

HON. G. LECUYER: I don't know whether I should let the member go on with her questions or try to give a very lengthy reply here, but I suppose if the member is dealing specifically with the cottage development - and as the member knows there are other related issues to this one - presently we are awaiting the calling of hearings by FEARO.

These depend upon declarations of the Shoal Lake Band that they are ready to participate in these hearings.

At this point in time because FEARO has required additional information from the band and, in some instances, has received some of that information but is still seeking additional information, I don't know when these hearings will take place. But I would suspect that as things presently stand, the earliest that it could possibly occur would be in late August.

We are preparing a brief stating the province's position for presentation at these hearings for when and if they do occur. It would be inappropriate for me to state that position in detail before the due process has been followed through FEARO.

The central feature of that position is that the province opposes any action which will jeopardize Shoal Lake water quality, as I made it clear to the member last year.

Also, I have directly approached, by letter and in person, the Federal Minister to indicate that we felt a replacement or a reappointment of the federal negotiator should occur so that negotiations could be carried out in the meantime. Without that, we can only await for the FEARO hearings. But it is my belief that if the tripartite members could sit down around the table and negotiate as we were in the process of doing, that we might be able to look at other solutions in the meantime.

It's no secret that one of these options that might be open would be a buy-out option, and the City of Winnipeg has tentatively indicated that they had some reservations in that regard, but as I indicated just now, it's impossible to pursue that until we are able to have officially the representatives of all three levels of government and representatives of the band to meet and discuss this. This is what is not possible while we have no federal negotiator named.

As you know, there was one in place prior to the last election, and I have asked the Federal Minister to either appoint a new member or reappoint the existing member so we can carry on. I am awaiting replies in that regard and, hopefully, it will still happen; but in the meantime the only route that we are waiting to pursue is the FEARO hearings.

MRS. G. HAMMOND: As far as the compensation package is concerned, has the province given any thought to how that would take place? Are they thinking of equal sharing with the three partners, or for the band, or was there any other part that the province is considering?

HON. G. LECUYER: The province hasn't taken any hard, fast approach or position in this regard. We have indicated our willingness to sit at these negotiations. We have indicated our willingness to bear a share of that buy-out option, what amounts that would involve. It has to be subject to these negotiations. As I said a moment ago, I think for that reason to put all our eggs in one basket, as currently seems to be the route that everybody is satisfied to let the matters go at through the FEARO, or the Federal Environmental Assessment process, seems to me that we could be nowhere any further at the end of that process than we are now, and that would indicate to me there might be some advantages to carry on negotiations in the interval. In fact, we might find a solution before we ever got to the federal hearings.

So I see some advantages in that process. Hopefully this will still occur. But as I say, there hasn't been any negotiations now for almost a year because the parties were not all able to meet at this point in time.

MRS. G. HAMMOND: I will ask a couple of questions in one so I won't be leaping up and down all the time.

Has there been a figure mentioned as far as the buy-out might be concerned for the Indian Band? Is there an approximate figure?

The other question I wanted to ask is that in the band's presentation, the socio-economic and water quality assessment of the proposed Snowshoe Bay development - it's a report for the Shoal Lake Indian Band No. 40, Executive Summary - it mentions what the study recommends.

The first one is, road access should be developed to avoid the need for a barge transport or crossing of the ice by trucks carrying fuels or other hazardous materials which could result in spills into Indian Bay. I want to know if the Minister is aware of any hazardous materials, and what kind of supervision is there if there is hazardous materials crossing the lake with the possibility of a spill near the intake at Shoal Lake.

HON. G. LECUYER: The parties at the negotiation table have not thrown out any figures. The band, itself, when they first mentioned the buy-out, the band has indicated a figure, I believe, it's something in the order of \$11 million or \$12 million, but the buy-out would have to be part of the negotiations process. The buy-out depends upon what development was being contemplated; what type of development would potentially be approved. If there is no development to be approved, that changes the buy-out option figure.

In terms of the substances that are transported or road accessed, that and sewage disposal are issues that are related to that development. If we're talking about waste disposal, waste disposal in terms of the current band's need or waste disposal in terms of the band's need plus a cottage development, changes the picture totally.

The department has indicated all along that it was willing to provide a technical assistance in terms of assisting the band on a temporary basis, with its waste disposal problem. We have briefly looked at sites in wintertime, without having had the opportunity to make a detailed analysis or assessment of whether the sites would be suitable.

We had indicated that on a one-time or temporary basis, they could be used using a winter route across Snowshoe Bay. The band did not avail itself of that opportunity so that hasn't been used. The present crossing that the band might use is three miles from the intake of the pipe. We are not aware of any spills having occurred as far as the band is concerned. Their primary wastes are domestic wastes and the member has to realize that the band's waste disposals fall primarily and firstly on federal jurisdictions and what the band does on its band property comes first under the federal jurisdiction as I indicated.

They would notify us as they have in the past. It is following discussions with them that we have, as I said, aerially in wintertime — (Interjection) — had briefly investigated a number of sites outside the band territory

on Crown land which would be suitable for a one-time disposal, but the band has not chosen to avail itself of that option.

The member also has to keep in mind that the band also has to and is concerned about the drinking water for the City of Winnipeg because it's their drinking water as well. Should they contaminate that water in any respect, it would also contaminate them as the first to use that source of drinking water.

MRS. G. HAMMOND: The Minister earlier had mentioned that he had written to the Federal Minister to ask them to appoint a new negotiator. I wonder if he'd mind telling us exactly when he did write and contact the Federal Minister.

HON. G. LECUYER: I did so sometime in the fall and I had a short meeting with the Federal Minister when I last attended the meetings which represented the environment Ministers of other provinces on February 5, I believe it was, when I met the Minister and raised a number of issues with her, in particular, this question of either reappointing the member that was the representative of the Federal Government at these negotiations or consider appointing a new member.

The Federal Minister at the time indicated that she would consider this, but she was also aware that the FEARO hearings were upcoming. So it may be that the Minister has chosen to await these hearings, or it may be that she is still considering doing just that. I will have an opportunity to meet with the Minister, I believe it's the last weekend of this month when the Ministers of the Environment will meet again to discuss environmental issues and particularly, regulations for PCB disposal and I will raise it with her again at that time.

MRS. G. HAMMOND: I think it's most important that the Minister impresses on particularly a new Minister, the importance of having a negotiator because our water supply is what's at risk and it is very important, especially if there is an opportunity that the province will be able to, with the city and the feds, negotiate something before the FEARO hearings, rather than having to go through all that.

I think it's important that the Minister, Mr. Chairman, make this a very high priority and make the Minister aware that it's a high priority with Manitoba because it certainly is. I think this is one of the things that must be pressed and make the Federal Minister very much aware how important it is to begin these negotiations.

I think that's incumbent on certainly both the city and the province to do that, because it's our water supply that's in jeopardy and I can see from a federal viewpoint, there might be a lot of water supplies all over and it can be pushed back to the back burner. So it's important that Manitoba, in particular, press this particular case and get it on the way.

At the same time, I wanted to ask the Minister if there has been any change as far as road access, that the band is being allowed to build a road across the city property?

HON. G. LECUYER: First of all let me say that I am glad that the Member for Kirkfield Park agrees that

the idea of continuing negotiations might be a worthwhile route to pursue and I will certainly raise it again with the Federal Minister as I indicated.

As far as the road access is concerned, I see this very much a part of the whole question of the negotiations, as very much a part of the whole question of the FEARO hearings, if that's the only route that's left. To my mind and understanding of the whole question, it cannot be discussed in isolation of that question.

Certainly, we have to know, whether through the negotiations or whether through the FEARO hearings, anything is going to happen as far as that cottage development is concerned and road access has to be discussed as part of that package.

It cannot be discussed unilaterally between the province and the city, and that is where I come back again to where I started through these negotiations, it certainly has to involve all parties. First of all, in order for a road access to occur, it cannot occur without the City of Winnipeg's presence, because as the member knows road access through the band territory is impossible without crossing City of Winnipeg territory. So the province's position is that we cannot consider that in a vacuum or independently of the overall issue. As far as the province is concerned, we have never agreed to road access up to this point in time and we will not agree to that independently of the rest of this package.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Since road access would have to come through my constituency, I wonder if the department has had a chance to look at what they would consider the most feasible route should that happen. In other words, is there a contingency plan that the government has developed with regard to giving road access to the Shoal Lake Band?

HON. G. LECUYER: No, we haven't, and as I say, we have not considered this option independently, and if it were to be considered it would have to be part of that overall approach to the question; it would have to be subject to environmental impact assessment.

The Department of Highways had looked at that at one time, but it was not pursued any further than that. I mean there was no impact assessment done. The question hasn't been pursued even to seeking or selecting the route that might be the best and the most feasible. As far as the Environment Department is concerned, we're no where on that issue at this point in time.

MR. R. BANMAN: I guess my concern is one which was raised a number of years ago when the Shoal Lake Band starting clearing a path for a road, and I believe what finally happened is that the Manitoba Government did not allow them to proceed once they hit the Manitoba-Ontario border. The Crown Lands Section didn't give them a permit to continue.

I wonder if the Minister could tell me that should there be negotiations taking place which would see the development of the road, the Minister mentioned there would have to be an environmental impact study, would

there be any mechanism set in place which would allow the local residents of the East Braintree-Falcon Lake area to make representation with regard to the establishment of the road.

HON. G. LECUYER: When I said to the member a while ago that would have to be subject to environmental impact assessment, that would be part of that process. Any citizens or individuals or groups that might consider that as impacting upon their interest and concerns or properties or whatever, would have an opportunity to have an input as part of that environmental impact assessment. I'm advised as well that the individuals could also be represented or personally, I guess, make representations at the FEARO hearings if and when these occur.

MR. R. BANMAN: On another subject matter, the mine which was established at High Lake, has the department had any reports back about any problems with regard to any environmental impact that mine or the operation there has had with regard to Shoal Lake? In other words, I think there was some concern expressed at the time by some groups that the High Lake Mine could possibly cause some environmental damage into Shoal Lake and, of course, the two being so close again in proximity and High Lake draining into Shoal Lake at a point which is not far from the Winnipeg water supply intake, has there been any assessment done on that or is everything going as planned and as was indicated it would?

HON. G. LECUYER: Mr. Chairman, there is continuing communication with Ontario. As the member knows, there is a memorandum of understanding that exists between the two provinces and meetings do occur, I believe, on an annual basis. In regard to mutual interest in this region of Manitoba-Ontario, we are, as part of these ongoing meetings and communication, continuing to evaluate potential developments in Ontario that may affect Shoal Lake. As far the High Lake Mine, it is still shut down and there was no effluent ever released to High Lake from that mine.

Now, personally, I don't know if there is any indication that this mine might soon be considered for re-opening. My latest information is that market conditions such that presently there is no consideration to reopening that mine at this time.

MR. CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: Thank you, Mr. Chairman.

The Honourable Minister is aware that the Attorney-General has proposed a bill, Bill No. 17, The Transboundary Pollution Reciprocal Access Act, which allows Manitoba to take legal action against another party in another province if in fact they pollute, let's say, the water supply in Manitoba. Has this information been brought to the attention of the cottage developers, and would they be aware that they would be liable to a lawsuit under this law if and when it is passed, and would it not be enough to discourage them from proceeding on their development of cottage lots?

HON. G. LECUYER: I don't know whether the actual bill was distributed and if the member had a chance

to look at it. I do believe the Attorney-General, when introducing that bill, had indicated that, in order for legal action to occur under that bill, it would have to be between provinces or provinces and States that have adopted this type of legislation. For instance, should both Manitoba - and Manitoba is taking the lead role in that bill, which has been the subject of Bar Association meetings in the past and where they have given sort of the lead role in trying to spur the provinces to adopt similar legislation, Manitoba is pursuing that in this Session; Ontario had had a bill tabled, I believe, at the last Session. At the time of adjournment, however, this bill had not been dealt with and it could be that they intend to reintroduce it, or it could be that once Manitoba has adopted a similar bill, they will refine it to their interests to develop or to adopt similar legislation.

Thereby, should Ontario and Manitoba have a bill as that in place, the effects of pollutants coming from Manitoba could be pursued by Ontario or the effects of pollution coming from Ontario to Manitoba could be pursued by a resident of Manitoba, but in order for this legislation to work with another jurisdiction, they also have to have adopted a similar piece of legislation.

So, Manitoba, I expect, will be followed by many other provinces in adopting that resolution for there is a fairly persistent lobby from the Bar Association for provinces to pursue that direction. There are a number of states that have already adopted similar legislation.

MR. A. KOVNATS: To the Minister, the only thing that I was trying to establish, Mr. Minister, is that, are we prepared to take legal action if and when this bill is passed and reciprocal arrangements are made in Ontario.

HON. G. LECUYER: That would make it possible, and we will have to assess situations, conditions and issues in the light of similar legislation in existence in Ontario, and then determine whether the issues warrant taking such action.

MR. A. KOVNATS: To the Honourable Minister, I was just trying to establish whether, in fact, we are afraid of the danger of the polluting of the water supply, and are we endeavouring to do everything to discourage the development? That's the only thing I'm trying to establish at this time.

HON. G. LECUYER: Well, the member poses a speculative matter as far as if and when Ontario should adopt similar legislation, but I revert back to what I said earlier. There is already a Memorandum of Understanding between Manitoba and Ontario. Based on that understanding, both provinces agree to meet and to protect one another's interests, not only in the Shoal Lake, but I believe it's the whole Lake of the Woods area.

MR. A. KOVNATS: That's fine.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: I have a question about the Warren sewage lagoon, and what state that's in as far as effluent going into Sturgeon Creek?

HON. G. LECUYER: There was an Order-in-Council signed in late 1983, and following that the Clean Environment issued an order on March 28, 1984 - I'm sorry, on May 2, 1984, following the hearings in March. The parties that might be affected by that order had until June, 1984, to appeal and none did. There were no appeals made at all for that order, so therefore presently the order stands as it was passed by the Clean Environment Commission.

MRS. G. HAMMOND: How is the order publicized, Mr. Chairman?

HON. G. LECUYER: Following hearings, the Clean Environment Commission made an order. All of the participants of the hearings received copies of the actual order. So all of the participants or the interested parties who came to the hearings received a copy of the order issued.

MRS. G. HAMMOND: Just for clarification, the Minister is talking about the original hearings that were held, so that all those people were given copies and no one appeared. Is that what he's saying?

HON. G. LECUYER: No, that's not quite right. I said, no one appealed. There were people who appeared. They got a copy of the order, but none appealed.

MR. CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: If I could just change it a little bit, Mr. Chairman, concerning the recycling of beverage containers. Can the Honourable Minister advise whether there is any support for private companies in the pickup and recycling of beverage containers, the plastic, the bottles?

I know that in British Columbia or Alberta, particularly Edmonton, they have what they call bottle recycling plants. Is it our intent to support private enterprise in such endeavours, or is the Provincial Government going to get into the business of recycling plastic bottles, glass bottles, tin cans for beer and soft drinks?

HON. G. LECUYER: The member asks specifically in regard to beverage containers. I have highlighted in my introductory remarks that we do intend to raise the level of priority of the whole area of recycling, not of just beverage containers, but of a number of other waste materials in the province.

There have been ongoing discussions between the department and the beverage industry in order to try and - based on these discussions, I should say, the beverage industry has in the past on a voluntary basis agreed not to promote their soft drinks in cans, thereby limiting the market of soft drinks in cans to about 15 percent, I believe. They also agreed to use non-returnable bottle containers. In the North, it's a different picture.

Now the member knows, as I do, and has seen in recent years the growing number of aluminum cans, and that is a different issue. On the basis of the growing number of these aluminum cans, we intend to pursue discussions with the beverage industry. In fact, the beverage industry is aware that we are wanting to

continue these discussions. They are also looking at perhaps interesting other sectors, private industry, into undertaking collection and recycling of these aluminum cans. There have been, in particular, discussions with a group called the Variety Club, and there is an interest there to enter that area of recycling in order to raise funds for the Variety Club's activities. So it's just one approach that might be pursued.

We have certainly not made any decisions in advance of having further discussions with them. We are looking at whatever avenues and routes that might help us in keeping empty cans and other beverage containers away from the environment. As I indicated as well in my introductory remarks, we will be filling in a position with someone whose responsibility will be in the area of recycling and looking at options for recycling other substances as well.

I have also indicated that that is closely tied in with the Waste Materials Exchange which Manitoba participates in and is tied to.

MR. A. KOVNATS: Can the Honourable Minister advise what is being done with these waste materials now, the plastic bottles, the tin cans? Are they being shipped to Alberta? I hear stories, but I don't know. I'm not in a position to find out, but if we are getting rid of oils containing PCBs by shipping them to Alberta, are we doing the same thing with our other products? Can the Minister bring us up-to-date?

HON. G. LECUYER: Perhaps, Mr. Chairman, if everybody saw them in the same light as PCBs, we would have quick action and everybody interested in bringing this whole issue to some kind of resolution.

It's an area that has, of course, a great deal more potential when there are available markets and the quantities are such that it makes it viable. Currently in Manitoba, as the member perhaps knows, paper is being recycled. There is a certain amount of glass that is being recycled and crushed and used in paints for use in reflective paints on highways to make the lines, etc., on signs.

Metal is recycled. A variety of types of metals are recycled from automobiles, farm implements and appliances, etc., for use in steel production in Selkirk. I'm sure the member probably has been left stranded waiting for the train to pass across Cottonwood just off Archibald a number of times and waited, and seen these trains going by with all that rusty steel going to Selkirk.

There is rubber that is used in the production of residential link mats for matting in barns. All of these, by the way, are recycled presently in Manitoba, the ones that I am referring to.

Presently our greatest, I suppose, problem is that there are insufficient markets and insufficient, in many instances, supply to make it viable. That is, we certainly want to pursue that particular subject or issue. That is why we're hiring a person to look into this area. One of the problems is there's lack of collection stations for public access.

To implement such a system, for instance, on the basis of the system that is in place in Alberta is a very costly system. The last time I met with the Environmental Ministers and discussed this issue with the Environment

Minister for Alberta, I won't go into the details of what he said, but he said you have to take a very serious look at all aspects of this, because it can create a great deal of a headache and it can be very costly. They're having second thoughts about the system they have in place there for those very reasons.

MR. A. KOVNATS: When I was listening to the Honourable Minister's opening remarks, I think it was under the opening remarks, I believe, he said that the Federal Government was assisting this program somewhat and were pulling out of the program and we'll have to go it alone. If the Federal Government is able to come around, could we get this program off the ground, or is that the only reason that it's not in existence at this point is that there is not enough funding, particularly from the Federal Government?

HON. G. LECUYER: When I was talking about that, I was referring to the Waste Exchange Program, which is administered by the Biomass Institute and is tied into the Canadian Waste Exchange Institute in Mississauga, Ontario. I did refer to the very positive results obtained as part of that exchange program, although it has been in existence for only a very short period of time.

The Federal Government has indicated they were pulling out of that program. Now we have to continue to assess whether the results are such that we want to and can fund it entirely on our own.

I might add, Mr. Chairman, that, as the member perhaps knows, the Canadian Waste Exchange Program in Mississauga is funded jointly by all of the provinces together. So we're already funding that program to a certain extent, a cost-shared basis with the other provinces. So we're, in essence, funding the national program presently, and we're also funding the provincial program.

MR. A. KOVNATS: What would be the figure that it costs us for the cost-share?

HON. G. LECUYER: Is the member asking where we'd be in the Estimates?

MR. A. KOVNATS: Yes.

HON. G. LECUYER: It's part of the Environmental Management operating costs.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Thank you, Mr. Chairman.

From time to time, there has been controversy associated with larger livestock units that have been located near rivers. I would ask the Minister whether there has been any change in the regulations with respect to livestock units along major water tributaries?

HON. G. LECUYER: We have presently a committee within the department looking at that particular issue. The regulation presently hasn't been amended in regard to that.

MR. C. MANNES: Well, the Minister says that there's a department within his Ministry that's looking at the

issue. Under what guidelines is this particular review committee working? What is it attempting to answer? What questions have been given to it to answer?

HON. G. LECUYER: It's an interdepartmental committee which has been formed to review the report and recommendations of the Clean Environment Commission and provide advice to government. The committee consists of Agriculture and Natural Resources, Municipal Affairs, Urban Affairs, Industry Trade and Technology.

The work of the committee continues. They're looking at improvement to the regulation to better control surface and groundwater from livestock production operations. As the member might well understand, this is an area where we're talking basically of land use conflicts. Invariably, it is the municipalities that are involved.

The committee's work has not been submitted to the Ministers at this point in time, so it's very difficult for me to comment in terms of details in what might be forthcoming recommendations. I'll have to perhaps get further information for the member, but I understand there is also a regulation under the Department of Health. I'm not quite clear in terms of to what extent it limits or further restricts feedlot operations from starting up operations near rivers or streams, but it does have implications. I would have to look at that regulation to better inform the members in terms of the details as to how it affects or restricts new feedlot operations along rivers and streams.

MR. C. MANNES: Mr. Chairman, the Minister is a little vague. He talks about a study being done within government, a combined study amongst the various ministries, and then he talks about a regulation.

I guess my first question was with respect to the study. I wanted to know specifically what his terms of reference were and I can understand why maybe he can't provide them tonight. I would hope he would undertake to provide them to me.

But he has, I suppose, heightened my intrigue a little bit when he talks about a possible regulation that may be coming, maybe in a draft stage, or may be coming forward that will be dealing with greater restrictions with respect to all livestock units - he says feedlots and I would take that to mean even other livestock units - that are to be located or are located at the present time close to a river. Maybe he can be a little bit more clear specifically in which of those two areas or maybe both of those areas that he is addressing.

HON. G. LECUYER: First of all, as the member asks, yes, indeed, I would endeavour to bring further details on that. But as I recall, this stems from a number of land conflict situations that have occurred, and in particular the one I have in mind was the one in Balmoral, Manitoba.

As a result of a beef and hog operation which is carried out very close to the Town of Balmoral, and have been the subject of conflict with the residents of that area, as part of trying to resolve that one on a future basis, a committee was struck up of staff of the various departments that I mentioned to look at this issue and come forth with recommendations.

Now the committee was not instructed to specifically redraft the regulation. Perhaps I didn't make that clear enough a while ago. If I didn't say that clearly enough, I want to make it clear now, that the effects of the committee's recommendations may bear on a change in the regulation. That I don't know at this point in time because, as I said, the committee hasn't submitted a report at this point in time, but it could go to that extent. It's the interdepartmental planning board or committee that is looking at this issue with a view of trying to come up with solutions.

MR. C. MANNES: Well, Mr. Chairman, I suppose then we will have to wait to see either a new regulation coming forward or possibly before that, a review report that maybe the Minister might be prepared to table before the Legislature in support of those changes; because those of us who come from rural areas that from time to time are caught in these local disputes. I would hope the Minister would want to share that information which is developed by this interdepartmental committee, to share it fully with the members of the House.

Mr. Chairman, I would like to ask a few questions with respect to burning, not of peat, but burning of straw.

Is the Minister or the Government of the Day considering or contemplating any regulations that would prevent or attempt to regulate stubble-burning in and around Winnipeg or, indeed, in and around any city or any town within the province?

HON. G. LECUYER: I think this particular issue was raised a number of times in this House during the fall, or — (Interjection) — No, perhaps it was last summer or last spring already that these questions were raised.

Here again, there was an interdepartmental committee struck to look at this particular issue. At this point in time, we haven't made any decisions to review or to strike any regulations.

Recently, the member heard the Minister of Natural Resources or perhaps saw the announcement made by the Minister of Natural Resources in regard to peat burning.

The committee at this point in time, which consists again of representatives of staff of various departments, hasn't made any recommendations whatsoever that affects stubble-burning. So we expect the committee will meet further and hopefully make some recommendations that we can put in place and, if at all possible, we certainly would prefer to avoid having to introduce any regulations in this area.

MR. C. MANNES: Well, has the Minister or is the Minister intending, or is the government intending to direct this interdepartmental committee to specifically address what is in the minds of some people an environmental problem with respect to smoke that comes from the burning of stubble?

Has that committee been directed to review specifically the concerns within this area? Or is the government contemplating asking that committee to do so?

HON. G. LECUYER: The committee has been asked to review concerns in that area to come up with options

and alternatives that might help us resolve that particular problem. We know, for instance, that - and I don't know how feasible on a large scale basis this could be - but we know that certain straws currently are being used or being burned, for instance, flax straw is being burnt by the Genstar Cement Plant. Perhaps there could be more straw used as a source of energy in that plant. Perhaps there is other alternatives in terms of crop or working the fields to reduce the extent of the problem. There is probably, or certainly times when stubble is burned when it creates a greater problem than at other times and that depends to a great extent on climatic conditions.

But the committee has been asked to look at the overall problem in terms of the concerns that have been raised when the stubble was being burned last fall. to see if recommendations could not help us solve that problem.

MR. C. MANNES: Mr. Chairman, I won't take the Minister into a long discussion certainly on farming practices, although I should inform him that the flax that is burned at Genstar has already been processed. It's already gone through a process by Klumberly-Clark and it's refuse material.

But I guess my final question in this respect is, when is it expected that the committee will report to the Ministers, and when will he be at liberty to share that information with the House?

HON. G. LECUYER: I expect the committee to report back before the end of summer; so certainly before the fall season is again upon us and we are faced with the same situation. I realize there may not be any great creative solution to that problem. It may be that we will have to live with part of that problem remaining with us.

But as the member may well appreciate, some people who live on the outskirts of the city in some instances are not that far removed from the burning stubbles or fields in the fall, and many people who have virus breathing problems do suffer at that time of the year. So if the problem remains, I guess, is it fair to expect that all of these people will certainly simply have to move out at the time, or are there other solutions to that problem which is what we are trying to determine through the assistance of technical staff on that committee? Now, I don't know if there will be any earth-shattering recommendations that will enable us to recommend alternatives, I don't know, but I will await with a great deal of expectation that report and we'll certainly make the recommendations available to all members when I do have it.

MR. C. MANNES: Well, I thank the Minister for that undertaking. I would hope and I would appeal to him that he not consider bringing in regulations until members of this House may have had an opportunity to not only review the recommendations but to speak to them. In other words, given that this House recesses sometime before this coming fall, that another best part of a year be devoted towards consideration of any recommendations before they came forward in a regulation.

I would just say for the record, Mr. Chairman, that the main reason, as I see it, that smoke may be a

problem at this time is that so many farmers are trying to do the proper job of burning. They're trying to have a proper burn maintained in a very narrow row and consequently are burning at night when the atmosphere is much heavier and when smoke doesn't escape. It hits the ceiling, a very low ceiling, and finds that it drifts some number of miles. I would just ask that his people, who are on this review committee studying this problem, would become cognizant that in fact it's a problem that may have been exasperated because of an attempt by local agricultural producers to follow the latest management techniques.

HON. G. LECUYER: Well, I repeat what I said before, I gain nothing by miserly keeping whatever recommendations they will make to myself. I certainly would want to have the widest type of advice as possible on whatever recommendations will be forthcoming. But, as the member already knows, whenever this department proceeds to amend or introduce new regulations, there is a very lengthy process of consultation that is involved and all parties who might have an interest or might be impacted by such a regulation would certainly have an opportunity to have an input if we should proceed through that route.

But I have to tell the member that my personal bias is that if we can resolve the problem in any way, shape or form, at least to some degree, without going that route, I would certainly prefer that as well.

MR. CHAIRMAN: 2.(a)(1) - the Member for Niakwa.

MR. A. KOVNATS: Mr. Chairman, I have quite a few questions on the licensing of transporters, the Carman spill, Pelican Lake fish problem that we had up there and the cleaning up of the fish, the Hudson Bay and the possible ramifications of the oil drilling in Hudson Bay, rendering plants, odor from industries, unauthorized dumping, handling and disposition of hazardous materials, and I would suggest, Mr. Chairman, that it might be a good time to call it 10 o'clock.

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

IN SESSION

The Committee of Supply has adopted certain Resolutions, directs me to report the same and asks leave to sit again.

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for St. Johns.

MR. D. MALINOWSKI: I move, seconded by the Honourable Member for Riel, that the Report of the Committee be received.

MOTION presented and carried.

COMMITTEE CHANGE

MR. DEPUTY SPEAKER: The Honourable Member for Riel.

MRS. D. DODICK: I have a committee change, Mr. Speaker. For Public Accounts, the Member for Churchill substituting for the Member for Thompson.

HOUSE BUSINESS

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker. In line with the change proposed by the Government Whip, I wish to remind honourable members that the Standing Committee on Public Accounts is meeting tomorrow morning at 10:00 a.m. and, if necessary, again on Thursday morning at 10:00 a.m. to consider and report on the Public Accounts for 1983-84 fiscal year and the Provincial Auditor's Report for the same year.

Mr. Speaker, the Estimates of the Department of Northern Affairs will follow the Estimates of the Department of Business Development and Tourism in the committee room, and following that I believe it will be the Department of Co-operative Development. As I announced last week, following completion sometime later this month of the Estimates of the Department of Environment, the Department of Agriculture Estimates will follow here in the Chamber.

Mr. Speaker, I beg to move, seconded by the Minister of the Environment, that the House do now adjourn.

MOTION presented and carried and the House adjourned and will stand adjourned until 2:00 p.m. tomorrow (Tuesday).