



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

**DEBATES**  
and  
**PROCEEDINGS**  
**(HANSARD)**

37 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fourth Legislature**

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
<b>ALCOCK, Reg</b>	Osborne	LIBERAL
<b>ANGUS, John</b>	St. Norbert	LIBERAL
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BURRELL, Parker</b>	Swan River	PC
<b>CARR, James</b>	Fort Rouge	LIBERAL
<b>CARSTAIRS, Sharon</b>	River Heights	LIBERAL
<b>CHARLES, Gwen</b>	Selkirk	LIBERAL
<b>CHEEMA, Gulzar</b>	Kildonan	LIBERAL
<b>CHORNOPYSKI, William</b>	Burrows	LIBERAL
<b>CONNERY, Edward Hon.</b>	Portage la Prairie	PC
<b>COWAN, Jay</b>	Churchill	NDP
<b>CUMMINGS, Glen, Hon.</b>	Ste. Rose du Lac	PC
<b>DERKACH, Leonard, Hon.</b>	Roblin-Russell	PC
<b>DOER, Gary</b>	Concordia	NDP
<b>DOWNEY, James Hon.</b>	Arthur	PC
<b>DRIEDGER, Albert, Hon.</b>	Emerson	PC
<b>DRIEDGER, Herold, L.</b>	Niakwa	LIBERAL
<b>DUCHARME, Gerald, Hon.</b>	Riel	PC
<b>EDWARDS, Paul</b>	St. James	LIBERAL
<b>ENNS, Harry</b>	Lakeside	PC
<b>ERNST, Jim, Hon.</b>	Charleswood	PC
<b>EVANS, Laurie</b>	Fort Garry	LIBERAL
<b>EVANS, Leonard</b>	Brandon East	NDP
<b>FILMON, Gary, Hon.</b>	Tuxedo	PC
<b>FINDLAY, Glen Hon.</b>	Virten	PC
<b>GAUDRY, Neil</b>	St. Boniface	LIBERAL
<b>GILLESHAMMER, Harold</b>	Minnedosa	PC
<b>GRAY, Avis</b>	Ellice	LIBERAL
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HELWER, Edward R.</b>	Gimli	PC
<b>HEMPHILL, Maureen</b>	Logan	NDP
<b>KOZAK, Richard, J.</b>	Transcona	LIBERAL
<b>LAMOUREUX, Kevin, M.</b>	Inkster	LIBERAL
<b>MALOWAY, Jim</b>	Elmwood	NDP
<b>MANDRAKE, Ed</b>	Assiniboia	LIBERAL
<b>MANNESSE, Clayton, Hon.</b>	Morris	PC
<b>MCCRAE, James Hon.</b>	Brandon West	PC
<b>MINENKO, Mark</b>	Seven Oaks	LIBERAL
<b>MITCHELSON, Bonnie, Hon.</b>	River East	PC
<b>NEUFELD, Harold, Hon.</b>	Rossmere	PC
<b>OLESON, Charlotte Hon.</b>	Gladstone	PC
<b>ORCHARD, Donald Hon.</b>	Pembina	PC
<b>PANKRATZ, Helmut</b>	La Verendrye	PC
<b>PATTERSON, Allan</b>	Radisson	LIBERAL
<b>PENNER, Jack, Hon.</b>	Rhineland	PC
<b>PLOHMAN, John</b>	Dauphin	NDP
<b>PRAZNIK, Darren</b>	Lac du Bonnet	PC
<b>ROCAN, Denis, Hon.</b>	Turtle Mountain	PC
<b>ROCH, Gilles</b>	Springfield	LIBERAL
<b>ROSE, Bob</b>	St. Vital	LIBERAL
<b>STORIE, Jerry</b>	Flin Flon	NDP
<b>TAYLOR, Harold</b>	Wolseley	LIBERAL
<b>URUSKI, Bill</b>	Interlake	NDP
<b>WASYLYCIA-LEIS, Judy</b>	St. Johns	NDP
<b>YEO, Iva</b>	Sturgeon Creek	LIBERAL

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, December 6, 1988.

The House met at 1:30 p.m.

## PRAYERS

### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mr. Mark Minenko (Chairman of the Committee of Supply):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same, and asks leave to sit again.

I move, seconded by the Honourable Member for Minnedosa (Mr. Gilleshammer), that the report of the committee be received.

**MOTION presented and carried.**

#### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I wish to table the Annual Report, 1987-88, of the Manitoba Health Research Council.

#### INTRODUCTION OF BILLS

##### BILL NO. 52—AN ACT TO AMEND AN ACT TO INCORPORATE “THE WINNIPEG CANOE CLUB”

**Mr. Bob Rose (St. Vital)** introduced, by leave, Bill No. 52, An Act to Amend An Act to incorporate “The Winnipeg Canoe Club”; Loi modifiant la Loi constituant en corporation “The Winnipeg Canoe Club.”

**MOTION presented.**

**Mr. Rose:** Mr. Speaker, just a few brief notes in regard to this Bill that gives me a lot of pleasure to introduce. The Winnipeg Canoe Club in my riding in St. Vital is the second oldest private club in this whole nation, in Canada, first incorporated by Letters Patent in 1893, and then incorporated by an Act of this Assembly in 1914. This Bill authorizes capital stock from 1,000 shares to 2,000 shares at a maximum aggregate consideration of \$1 million from its present half-a-million dollars. This Bill is required due to expansion of the club at this time.

I am pleased to report to this Legislature and thousands of past members of the club who hold fond memories of the club that the club is healthy and prospering, and that the executive and 1,000-plus members hope for a speedy Royal Assent to this Bill.

**QUESTION put, MOTION carried.**

#### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to oral questions, may I direct the attention of Honourable Members to the Speaker's gallery where we have with us today Dr. Elizabeth Feniak, who has been recently appointed a member of the Order of Canada. The award recognizes her contribution at national and provincial levels and her lifelong commitment and dedication to improving and advancing the quality of life for families.

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

We also have with us this afternoon, in the public gallery, from the Sisler High School, twenty-five grade 11 students under the direction of Mr. Mike Gartner. This school is located in the constituency of the Honourable Member for Inkster (Mr. Lamoureux).

We also have with us, from the Morden Collegiate, forty-five grade 9 students under the direction of Mr. Ron Peters. This school is located in the constituency of the Honourable Minister of Health (Mr. Orchard).

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

#### ORAL QUESTION PERIOD

##### Municipal Hospitals Upgrading Start

**Mr. Reg Alcock (Osborne):** Mr. Speaker, of all of the actions taken by this Government in its first seven months, the one that disturbs me the most is the delay in the replacement of the Municipal Hospitals. The patients of the Municipal Hospitals receive first-class care from a competent and dedicated staff. Several hundred volunteers contribute thousands of hours to enhance the quality of care offered at this facility.

Mr. Speaker, I have a question to the First Minister (Mr. Filmon). Given the decisions taken by the Minister of Health (Mr. Orchard), and given the First Minister's knowledge of the conditions at this facility, will he now intervene and overrule the Minister of Health to ensure that this project proceeds on time?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I certainly concur with the thoughts expressed by the Member for Osborne (Mr. Alcock) as to the competent and dedicated staff, and the tremendous job that they do at the Municipal Hospitals. Mr. Speaker, I also concur with the Member for Osborne that there is indeed an identified need for an upgrading of that hospital at some point in the future. That identified need, of course, has been there for quite some time. Throughout the previous administration, the Municipal Hospitals were seen as an area of need for future renovation and reconstruction, Mr. Speaker. I understand from my colleague, the Minister of Health, that it is on the five-

year Capital Program of this Government, and we expect and hope that we will get to that project in the not too distant future.

**Mr. Alcock:** The project start was included in the 1987-1988 Capital Program of the previous Government but does not appear in the 1988-1989 program distributed in this House. It is not moving forward in a timely fashion and those people in that hospital need the assistance now. I would ask the First Minister, will he please speak to the Minister of Health and see this project proceeds on time?

**Mr. Filmon:** Unfortunately, the previous Government took the decision to freeze construction, in fact, all of the capital construction works in the area of health care, hospitals, and personal care homes, and that is a legacy that we are left with. We have a backlog of many capital construction works in health care that we have to deal with. So we are left with the largest per capita debt in the country by a Government that spent money hand over fist and left us with the second highest overall level of taxation and with expectations and unfulfilled needs in the area of health care that exceed the capacity of the Government to build within this coming fiscal year. It is on the five-year program. We hope and expect to get to it as quickly as possible.

### Capital Programs Municipal Hospitals

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I would remind the First Minister that he is now the Government and that they are not spending any less money, they are not saving any money, they are redirecting away from this project to other projects. It is a matter of their priorities. It is not the decision of the previous Government, it is their decision. Will he act now to restore this project?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, it is with a great deal of interest that I enter Question Period on the issue of Municipal Hospitals. I think that through some communication after Wednesday's Question Period when the Opposition House Leader brought up Municipal Hospitals, there was some confused, improper and incorrect information transmitted to Municipal Hospitals and to the people of Manitoba.

\* (1340)

First of all, someone indicated to Municipal Hospitals they were not on the five-year Capital Program. Now I want to refer to my honourable friend, the Member for Osborne (Mr. Alcock), page 3324, where I took pains with my honourable friends in the Opposition who chose to take 30 minutes to pass \$1.4 billion of Capital and health care spending to explain the unique status that Municipal Hospitals were put in, along with Concordia Hospital, which was questioned by the Leader of the New Democratic Party (Mr. Doer), Grace Hospital and Deer Lodge Hospital. There was no removal of Municipal Hospitals from the Capital Program, as someone indicated to the Municipal Hospitals.

**Mr. Speaker:** Order, please; order, please.

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, on a point of order.

**Mr. Speaker:** Order, please. I do not have a mike again today. The Honourable Leader of the Opposition, on a point of order.

**Mrs. Carstairs:** Yes, Mr. Speaker. The First Minister (Mr. Filmon) of this province across the floor of this House accused one of the Members of lying. He used the word "lies" and we all know that is unparliamentary, and I request that the Honourable First Minister withdraw.

**Hon. Gary Filmon (Premier):** Mr. Speaker, it is unfortunate that the term "lies" is unparliamentary when of course it absolutely reflects exactly what the Member for Osborne (Mr. Alcock) has done. Having recognized that, Mr. Speaker, I certainly withdraw the term because it is indeed unparliamentary.

**Mr. Speaker:** I thank the Honourable First Minister.

**Mr. Alcock:** Mr. Speaker, with a new question. I think the actions of the First Minister speak loudly, as they always do in this House, but I would like to address the statements made by the Minister of Health (Mr. Orchard) when he talked about the length of time spent in Health Estimates. We spent 35 hours and 55 minutes in Health Estimates listening to this Minister foam at the mouth, and I invite anybody to read the Estimates and they will understand why we cut that short and we did ask about the Municipal Hospitals.

### Municipal Hospitals Workplace Safety and Health Order

**Mr. Reg Alcock (Osborne):** I have a question for the Minister responsible for Workplace Safety and Health (Mr. Connery). I have a copy of the Workplace Safety and Health order that was issued to the Municipal Hospitals, that references the upright steam radiators which are a source of burns to patients and staff, have been a source of burns to patients and staff. These must be replaced. It is an order by his department, Mr. Speaker. This order was issued five years ago. They have not been replaced because there was going to be a new building, because there was going to be a new facility. Now given the controversy over this, I would ask the Minister, has he been made aware of this order?

\* (1345)

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, let me indicate to my honourable friend that he does not hold all of the compassion for those patients who are at Municipal Hospitals. On this side of the House, we are equally concerned with their quality of care. That is why it is very regrettable that my honourable friend, the MLA for Osborne (Mr. Alcock), indicated that the accreditation of the hospital was in danger because of the physical condition of the building.

That statement was categorically denied because the accreditation service out of Ottawa indicated that as well as the physical building, the patient care as provided by dedicated staff is equally as important in their accreditation and, because the staff is such a fine staff at Municipal Hospitals, that accreditation was not in danger.

My honourable friend has identified a problem. There are a number of problems that no one in Government denies exist at Municipal Hospitals, I simply indicate to my honourable friend. In terms of the one-half hours spent on \$1.4 billion of capital and commission spending, I had to convince the Members of the Liberal Party to take another 25 minutes because all they wanted to do was spend five minutes on it.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please. Order.

**Mr. Alcock:** I must confess that the Members in Health Estimates did grow tired of hearing the Minister talk about Hawaii. As to accreditation, I do have a copy of the standards.

### Project Delay

**Mr. Speaker:** Would the Honourable Member for Osborne (Mr. Alcock) kindly put his question now?

**Mr. Reg Alcock (Osborne):** I do have a copy of the standards of accreditation and they do say they must comply with all orders. The staff in that facility are very concerned about the possibility of losing accreditation. If this Minister knew about this outstanding order, why did he act to delay this project when he knew there was an outstanding work order?

**Hon. Donald Orchard (Minister of Health):** I can only indicate to my honourable friend, for many of the same reasons that the order was delayed for five years. It is the intention of Government to replace the Municipal Hospitals—those outdated buildings. My honourable friend indicates they were on the Capital Program last year. That Capital Program was put on freeze as of approximately November last year by the previous administration. They did it in order to ascertain the impact on the extended bed care count in the City of Winnipeg, resulting from the opening of 204 beds at Deer Lodge Hospital, a project that was under construction with capital dollars provided by the federal Government and the province responsible for operating costs. When the initial planning for Municipal Hospital replacement was taking place, Deer Lodge reconstruction was not part of the Winnipeg Hospital planning. Those plans must be analyzed in the impact on the system or else we have to delay other needed projects if we make mistakes in committing existing capital.

### Labour Dept. Intervention

**Mr. Speaker:** The Honourable Member for Osborne, with a final supplementary question.

**Mr. Reg Alcock (Osborne):** I wonder if the First Minister (Mr. Filmon) would use the same term on the Minister of Health (Mr. Orchard) because the Deer Lodge beds were indeed considered at the time that hospital was being planned.

I would ask the Minister for Workplace Safety and Health (Mr. Connery), given that the renovations are not proceeding with and given that there is an outstanding order, will he now take action to ensure that the order is complied with?

**Hon. Edward Connery (Minister of Environment and Workplace Safety and Health):** I will go back through the Archives and see if I can find that order. I have not been made aware of that order. I will dig it up and we will see what it says and we will act appropriately.

### Contract Awarding Untendered

**Mr. Gary Doer (Leader of the Second Opposition):** My question is to the First Minister (Mr. Filmon). Yesterday, we talked in his Estimates about the principle of fair tendering for contracts in this province under his administration. Can the First Minister advise Manitobans whether there has been a contract awarded to deal with an Urban Native Strategy? How much is that contract for? Who was this contract awarded to?

**Hon. Gary Filmon (Premier):** That item would come under the jurisdiction of the Minister of Native Affairs (Mr. Downey). I will ask him to respond to that.

**Hon. James Downey (Minister responsible for Native Affairs):** Mr. Speaker, yes, there has been.

### Tender Process Unfair Hiring Practices

**Mr. Gary Doer (Leader of the Second Opposition):** My question is again to the First Minister (Mr. Filmon). In terms of the standards he articulated in his Estimates as Chair of Treasury Board and Premier of this province, can the First Minister confirm that the contract is for \$100,000, that it has been awarded without tender to a firm that the Minister of Northern Affairs (Mr. Downey) has stated in Hansard, a resource firm to do works who are friends of the Conservatives? Could the First Minister confirm that contract has been awarded for \$100,000 to that firm on an untendered basis?

\* (1350)

**Hon. James Downey (Minister responsible for Native Affairs):** I do not accept the premise of the Member for Concordia (Mr. Doer), who had no problem in appointing Andy Anstett to a great job, a known NDP. How can he stand so righteous in his place and be critical of anyone in this regard? We have hired a firm to do a very important job on urban Native studies, an excellent firm using Native people, using Metis people. Is the Leader of the New Democratic Party opposed to the use of Native and Metis people in this province?

**Mr. Doer:** My question is to the First Minister (Mr. Filmon) because it follows on his comments to the House, in the Legislature, in the Estimates last evening, where he stated the principles of his Government on the fair tendering process for his administration with his Conservative Government. My question to the First Minister is, why does he allow his Minister of Northern Affairs (Mr. Downey) to breach his commitment to this province? Why does he allow the Minister of Northern Affairs to award a \$100,000 contract to Conservative friends without any tendering at all? Why does he allow this in his administration?

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please.

**Mr. Downey:** Mr. Speaker, let me assure the Member for Concordia (Mr. Doer) the normal process of hiring an individual to carry out a very important job on urban Native studies was done—nothing untoward, absolutely and totally up front, gone through the normal process, totally public, and I will stand by the work, the contract and the work activities that are going to be carried out to better and improve the urban Native situation in this province. If he is so critical, let him stand on his record of the disaster that he carried out as a Member of Government when he was in office.

**Mr. Doer:** I will stand on my record any day of the week, because he will not find one untendered contract with departments I was responsible for.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order!

### Urban Native Study Cancellation

**Mr. Gary Doer (Leader of the Second Opposition):** My question is to the First Minister (Mr. Filmon). This contract was like the Stevenson-Kellogg contract. It is connected to the Conservative Party by admission of the Minister of Northern Affairs (Mr. Downey) on August 2 in this House, friends of the Conservative Party. It was untendered, we have contacted six other companies that have expertise in this area. They were never contacted and asked to provide bids. Will the First Minister cancel this contract that has been let by the Minister of Northern and Native Affairs and keep his word to the people of Manitoba and to this Legislature last evening?

**Hon. James Downey (Minister of Northern and Native Affairs):** Mr. Speaker, let it be very clear. The reference to what the Member is making has absolutely nothing to do with the contract to which he is talking about. Let it be very clear as well that the Liberal Party of this province were pressing for us to get on with the job of doing an urban Native study, pressing us to get on with the job.

I would ask the Honourable Leader of the New Democratic Party (Mr. Doer) to withdraw his accusation that he just made.

**Mr. Speaker:** Order, please.

### POINT OF ORDER

**Mr. Speaker:** The Honourable Minister of Northern and Native Affairs, on a point of order.

**Hon. James Downey (Minister of Northern and Native Affairs):** Mr. Speaker, I would ask the Member, the Leader of the New Democratic Party (Mr. Doer), to do the honourable thing and withdraw the statement that he made from his seat. I am not going to repeat it because it is not parliamentary.

**Mr. Speaker:** Order, please.

**Mr. Gary Doer (Leader of the Second Opposition):** I never used the term before in this House, Mr. Speaker, and I guess the circumstances under the tendering comment from the Minister led me to do that. I withdraw it, consistent with the parliamentary tradition.

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

\* (1355)

### AIDS Pamphlet French Language Distribution

**Mr. Neil Gaudry (St. Boniface):** Monsieur le Président, ma question est pour le ministre de la Santé. J'ai eu l'occasion de lire le dépliant que son ministère vient de produire sur le SIDA. Je tiens à féliciter le ministre d'avoir produit un travail de qualité qui contient de l'information franche et utile sur cette importante question. Il est absolument impératif que nous puissions assurer une vaste distribution de ce document. Le ministre a indiqué que les dépliants seraient distribués dans le système scolaire, dans les cabinets de médecins, ainsi que dans les cliniques de santé. Le ministre n'est pas sans savoir qu'il y a ici dans la province des écoles et des institutions post-secondaires où la langue d'enseignement et de communication est le français. Il y a également des établissements de santé et des médecins qui desservent une population francophone importante. Ma question au ministre est la suivante: le dépliant est-il disponible dans la langue française?

**Hon. Donald Orchard (Minister of Health):** Monsieur le Président, non et c'est une bonne suggestion.

**Mr. Gaudry:** Monsieur le Président, ma question supplémentaire: le ministre peut-il nous dire qu'il prévoit une distribution de dépliants en français dans les écoles françaises du Manitoba?

**Mr. Orchard:** Encore, c'est une bonne suggestion.

**Mr. Gaudry:** Monsieur le Président, j'espère que ça ne prendra pas sept mois comme ça pris pour sortir celui en anglais. Le ministre peut-il nous réassurer que cette campagne de sensibilisation sur le SIDA dans

nos écoles et dans nos institutions de santé sur ce problème médical et social se fera dans les deux langues?

**Mr. Orchard:** Monsieur le Président, c'est la fin de mon français.

(Translation)

**Mr. Neil Gaudry (St. Boniface):** Mr. Speaker, my question is to the Minister of Health. I had the opportunity to read the pamphlet produced by his department on AIDS. I would like to congratulate the Minister for producing a quality piece of work that contains frank, useful information on this important question. It is absolutely imperative that we be able to ensure a wide distribution of this document. The Minister indicated that this pamphlet will be distributed throughout the school system and to health clinics and doctors' offices. The Minister is aware that in this province there are schools and post-secondary institutions where the language of teaching and communication is French. There are also health establishments and doctors who serve a significant francophone population. My question to the Minister of Health is the following: is this pamphlet available in the French language?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, no, and this is a good suggestion.

**Mr. Gaudry:** Mr. Speaker, with a supplementary question, can the Minister tell us whether he is planning for distribution of this pamphlet in French in the francophone schools of Manitoba?

**Mr. Orchard:** Once again, this is a good suggestion.

**Mr. Gaudry:** I hope this is not going to take seven months, as it did for the English version. Can the Minister reassure us that this awareness campaign on AIDS in our schools and our health establishments concerning this important social and medical problem will be conducted in the two languages?

**Mr. Orchard:** This is the end of my French. Mr. Speaker, I have to revert back, to my honourable friend. I can no longer communicate to him in his mother tongue.

The pamphlet is made available in the English language, and I have to tell my honourable friend that at the time of printing I did not give consideration to making the pamphlet available "en Francaise." Certainly, that is a suggestion that makes good sense and I will investigate that on behalf of my honourable friend and report back to him as soon as possible. Certainly any decision to offer an in-language French version would not take five minutes because the creation took that time, not the actual printing.

### Selkirk Mental Health Centre Admissions Policy

**Mr. Gulzar Cheema (Kildonan):** Mr. Speaker, my question is for the Minister of Health (Mr. Orchard).

During the Health Estimates, where we spent almost 35 hours, the Minister of Health stated that there was no crisis at the Selkirk Mental Health Centre, that the patients will not suffer and that he will rectify the situation as soon as possible. This Minister has yet to understand that there is an issue which he has caused and that issue has become a crisis now. His failed, unilateral, dictatorial approach is a disaster for the Department of Mental Health in Selkirk, as well as in Brandon.

Mr. Speaker, it has come to my attention that a letter has been issued by one of the psychiatrists at Selkirk to a referring position. After speaking to Dr. Andrews, the Chief Executive Officer of the Selkirk Mental Health Centre, the letter says all assessments and admissions have been suspended indefinitely. Will the Minister of Health tell us that no assessments and admissions will be taking place at Selkirk, why not, and who issued the orders?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, no, I cannot. I can only indicate to my honourable friend that my Deputy Minister was in Selkirk at the Selkirk Mental Health Centre yesterday. No such circumstance was brought to his attention yesterday during his visit there. I simply cannot provide my honourable friend with knowledge that he has at the present time. I can indicate however to my honourable friend that the Chief Provincial Psychiatrist has indicated all along, since the inception of the plan to provide psychiatric assistance to the Brandon Mental Centre from Selkirk, that quality patient care would not be jeopardized in Selkirk. That situation exists today, as I indicated to my honourable friend some month ago.

\* (1400)

### Psychiatrists Shortage Staffing Plans

**Mr. Gulzar Cheema (Kildonan):** Mr. Speaker, a first supplementary to the same Minister. This Tory Minister's formula was to equalize services at Brandon, at Selkirk. It started with Selkirk having six psychiatrists and Brandon none and now, after six weeks, Brandon has none, Selkirk is going to have only two psychiatrists as of January 3. My question is, will the Minister admit his failures, his mistakes, and his gross error of judgment, and could he introduce a plan now to rectify the situation so that the patients at Selkirk and Brandon will no longer suffer under his ill-conceived plans?

**Hon. Donald Orchard (Minister of Health):** What absolute nonsense from my honourable friend, the Member for Kildonan (Mr. Cheema), who purports to be knowledgeable in the health care field. I am sick and tired of the Liberal Party taking up the cudgel of two psychiatrists who decided to take early retirement rather than assist us in Brandon, and I challenge them and I challenge them today, before you take up the cudgel for those two psychiatrists who took early retirement, tell the people of Manitoba the financial demands they were putting on the department as employees to go out to Brandon and the kind of financial

support that you support as a Party on behalf of those two psychiatrists rather than 2,300 patients in Brandon. Come clean to the people of Manitoba.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please; order, please. The Honourable Member for Kildonan, with a final supplementary question.

**Mr. Cheema:** Our final responsibility is toward the patients and not to this Minister's ill-conceived idea. He has failed time after time. My question is, after what has happened at Selkirk, could he tell us what plans he has for back-up procedures during the holiday season? What is the effect on the staff who are working at Selkirk as well as Brandon? Has he met with the staff? What kind of plans are there to ensure that services are provided, so that the patients and their families could enjoy the holiday season?

**Mr. Orchard:** Mr. Speaker—

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please; order, please. The Honourable Minister of Health.

**Mr. Orchard:** I am pleased to see that the Liberal Party has finally come to their senses and are now concerned about patient care in Brandon, something they failed to do when we initially put this plan in place and came to this House advocating the position of the two psychiatrists we wished to help us in Brandon, but not telling Manitobans what the demands were, demands that were beyond the capacity of any Government, any reasonable Manitoban to accede to.

As my honourable friend, the Leader of the New Democratic Party (Mr. Doer) says, the Liberal Party's solution was to back the Brink's truck up to the door and unload the money to solve the problem. I want to assure my honourable friends in the Liberal Party that despite their fondest hopes that this plan will fail, patient care will resume and will continue in Selkirk. Patient care will continue despite the difficulties we are experiencing in Brandon. With the announcement I made last week on Wednesday on the reorganization of mental health, the new direction we are taking, the new assistance for psychiatrists in the Province of Manitoba, I am hopeful that recruitment efforts will resolve some of the manpower difficulties we have had in the discipline of psychiatry.

### **Ruttan Mine - Leaf Rapids Discriminatory Action**

**Mr. Jay Cowan (Churchill):** My question is to the Minister of Workplace—

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please; order, please.

**An Honourable Member:** You are losing control, Mr. Speaker.

**Mr. Speaker:** Not for long, not for long. The Honourable Member for Churchill.

**Mr. Cowan:** My question is to the Minister of Workplace Safety and Health and the Minister responsible for the Environment (Mr. Connery). It is my understanding that all underground workers at the Ruttan Mine have been told by the company that they will not be called into work and have been sent home without pay. The company is reinforcing their decision to force workers to either go underground or to go home without pay by referencing the decision by the Workplace Safety and Health officer and using his improvement order as their justification to send workers home.

Mr. Speaker, I believe that is definitely discriminatory action under the legislation, which reads: "Discriminatory action means any act or omission by an employer which includes layoff, suspension or change in working hours, and for that reason would contravene the Act." What specific assurance can the Minister of Workplace Safety and Health give that the workers at Ruttan Mine will not be deprived of their wages because of their collective decision to exercise their legal right to refuse to work under what they believe unsafe and unhealthy conditions?

**Hon. Edward Connery (Minister of Environment and Workplace Safety and Health):** Mr. Speaker, that is a very good question that our department is looking at very carefully. We have a serious concern at Ruttan. This fire is still burning and it will take some days to put the fire out by smothering it with sand. We have sent one of our Environment people from Thompson to Ruttan Mines this morning. He should be there now. We are sending another Workplace Safety and Health person up to work with our present person up there to determine whether the decision initially was the right one. I can assure the Minister that I will do as the Minister of Workplace Safety everything legal in my power to support the workers at Ruttan Mine. Mr. Speaker, I sympathize with them in the fact that just before Christmas they would be losing work. We will do whatever we can within the law to support those workers.

**Mr. Cowan:** Given that the workers were told last night that they would have to go home, and the company was using an improvement order by a Government official to substantiate that decision to send them home—I have been told by a number of workers at the operation that they were told by a senior company official that, if they worked, they got paid and, if they did not work, they did not get paid. That is definitely discriminatory action under the legislation. Is the Minister prepared at this point in time to override the decision by the Workplace Safety and Health officer or, at the very least, clarify it to the extent where it is not used as an excuse by the company to force workers either to go home without pay or to go into an environment which they consider to be unsafe?

**Mr. Connery:** That is exactly what we have done. I have sent a senior member up there to view the circumstances first-hand so we have a second opinion. Mr. Speaker, we will err on the side of safety and, if we err, we will err on the side of the workers.



## Workers Compensation

**Mr. Speaker:** The Honourable Member for Churchill, with a final supplementary question.

**Mr. Jay Cowan (Churchill):** Mr. Speaker, the Minister's assurances, and I believe his sincere intentions, are not matched by the action which would give the assurance and the specific commitment which is required. I would ask the Minister, given that a number of workers were exposed to potentially hazardous and most likely hazardous conditions as a result of that smoke inhalation, is he prepared to have the Chief Occupational Medical Officer of the province send a physician to Leaf Rapids to examine all of the workers who have suffered such exposure, to determine—well, someone from the Conservative bench says, "Oh, come on." I assure him that this is a very important issue and we are going to speak out in this House on behalf of protecting those workers in every way possible. So, I do not appreciate that gratuitous remark from his seat.

My question specifically to the Minister is, is he prepared to send the Chief Occupational Medical Officer or have someone on behalf of the Chief Occupational Medical Officer travel to Leaf Rapids to do base-line examinations to ensure that if there are future problems created by this exposure to those hazardous chemicals, they are documented? Secondly, is he prepared to send someone from the Workers Compensation Board to ensure that each of the workers who were subjected fill out a Workers Compensation claim? That claim would follow with them for the rest of their working lives in case there were circumstances—

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please; order, please.

**Hon. Edward Connery (Minister of Environment and Workplace Safety and Health):** Mr. Speaker, it is a standard practice with Hudson's Bay Mining and Smelting when somebody is injured or has any smoke inhalation to automatically take them to the hospital. These employees have been inspected or looked at by a doctor to ensure that there are no health hazards. If there are any Workers Compensation claims required, they will be there.

Our department is working very closely with the company and with the union. In fact, I talked to our department rep this morning. In fact, I got him out of bed at 6:40 a.m. from my office. I also talked to the union rep to explain to the union rep that I was concerned, that we were sending more people up to view what was happening. We know that wind direction can change very quickly. As a farmer, I realize that, and I am concerned that the fire is a hazard to the workers in that mine.

\* (1410)

## Plant Breeders' Rights Government Support

**Mr. Laurie Evans (Fort Garry):** My question is to the Minister of Agriculture (Mr. Findlay). I am sure the Minister is aware of the fact that for about six months now there has been a case before the Supreme Court of Canada. That case was brought forward by Pioneer Hybrid Limited, a seed company in Canada, and it is a case where the company is appealing the decision of the Commissioner of Patents where the Commissioner denied a patent on a new variety of soybeans. Now this may seem like somewhat of a trivial issue, Mr. Speaker, but I want to assure you that it is a very significant one as far as crop production in Canada is concerned.

My question is to the Minister of Agriculture. Can the Minister tell us his stand and that of his Government when it comes to the issue of plant breeders' rights?

**Hon. Glen Findlay (Minister of Agriculture):** I would like to take the opportunity to reaffirm to the Member that we strongly support any source of funds that increases the amount of plant breeding research that can be done in the country of Canada. On that basis, we support plant breeders' rights because the issue of being able to protect the farmer from loss of varieties is well looked after by the licensing program that is in existence across Canada. No bad varieties can get on the market through the licensing process that exists, so on that basis we support plant breeders' rights.

## Legislation

**Mr. Laurie Evans (Fort Garry):** Well, as the Minister is, I am sure, aware, plant breeders' rights has been brought forward both by the federal Liberal Government and more recently by the Conservative Government and both times it has died on the agenda paper. My question is to the Minister of Agriculture (Mr. Findlay). Will he contact his counterparts, the other provincial Ministers of Agriculture and together get in touch with the federal Minister, and implore upon him to bring forward that legislation again as quickly as possible?

**Hon. Glen Findlay (Minister of Agriculture):** Certainly, it will be my intention to bring the issue up the next time the Ministers of Agriculture meet and, should the occasion arise to meet the federal Minister soon after he is sworn in, I will definitely bring that issue up.

## Plant Patenting Policy

**Mr. Laurie Evans (Fort Garry):** A final supplementary. Two other issues that should be addressed at the same time are the questions of plant patenting and gene patenting, which I think in many cases would be regarded as being far more serious and more detrimental to agriculture. Can the Minister tell me whether his Government has developed any policy as it relates to plant patenting and gene patenting?

**Hon. Glen Findlay (Minister of Agriculture):** Certainly, I would want to have taken more time to have discussions within my department and with the industry at large before I would be in a position to answer that specific question in an affirmative fashion.

**MIC**  
**Chairperson Resignation**

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** I just want to table a letter in the Legislature today that I indicated I would table yesterday from one Mr. Yantay Tsai, a member of the Task Force on Multiculturalism, who resigned. Might I add just for clarification, resigned and sent his letter of resignation after the task force was complete, and that was the reason his name was on the task force report.

**MPIC**  
**General Insurance Division**

**Mr. Leonard Evans (Brandon East):** I have a question for the Minister responsible for MPIC. In 1987, MPIC embarked on a strategy to improve the financial performance of its General Insurance Division and to enhance the quality of its service. The latest information available indicates a dramatic turnaround of \$9.5 million with favourable results in all of the three business units of the division. However, on November 1, the Public Utilities Committee passed a resolution requesting the Government to study available options and of course the report of the committee was accepted by this House. Is the Minister now in a position to tell the House that MPIC will continue in the general insurance lines and will not be sold, watered down or terminated in the foreseeable future?

**Hon. Glen Cummings (Minister responsible for The Manitoba Public Insurance Corporation Act):** As I said previously in the House, the motion that was passed at committee encouraging us to study all of the options and ramifications regarding the future of this part of the Corporation is exactly what we have been doing, and the Member is not being totally forthright with the people of the province. Two out of the three sections of the general arm of the MPIC are still losing money.

**Mr. Speaker:** The Honourable Member for Brandon East, with a supplementary question.

**Mr. Leonard Evans:** When the Minister says I am not being forthright, I am simply quoting from the press statement issue that all three business units showed a turnaround in this three quarters. It is written in this financial statement. (Interjection) That is what I said. There is a turnaround in all three units.

Will the Minister request MPIC to tell its agents that it is business as usual in the general insurance lines? Because of the uncertainty caused by statements made by the Premier (Mr. Filmon), the general insurance business is being eroded, I am advised, since some agents are not confident about the future of MPIC and are reluctant to sell MPIC policies. Will the Minister ensure that the General Insurance Division does not wither away through attrition in the meantime?

**Mr. Cummings:** Again, within a few days of assuming responsibility as Minister, we issued a directive through the board and through the then acting president to the corporation and to the agents that it would be business as usual.

**Mr. Leonard Evans:** With a final supplementary, Mr. Speaker, will the Minister ensure that in their review of the General Insurance Division that due consideration will be given to the benefits accruing to all Manitobans by the very presence of MPIC in the industry and its positive effect in stabilizing premiums in this province?

**Mr. Cummings:** We have indicated consistently that any future action regarding the general arm of the Public Insurance Corporation would take into consideration all of the effects of future actions that might be entailed.

**Depo-Provera**  
**Unauthorized Use**

**Mrs. Sharon Carstairs (Leader of the Opposition):** My question is to the Minister of Health (Mr. Orchard). It is disturbing to learn that the drug Depo-Provera is being prescribed as a contraceptive by doctors in this province, in spite of federal regulations banning its use for this particular purpose. As the Minister, I am sure, knows, the drug has been linked to cancer, heart disease and fetal abnormalities. My question, therefore, to the Minister is, can the Minister explain to the people of Manitoba how physicians in this province can prescribe a drug which has not been approved by the federal Government for use as a contraceptive?

**Hon. Donald Orchard (Minister of Health):** The issue of Depo-Provera has recently come to light, as my honourable friend well knows, in terms of the recent media coverage on it. It is, as my honourable friend indicates, not a prescribable medication for use for birth control. However, it is allowed to be prescribed for the treatment of certain types of cancer and a certain gynecological disorder. It is only under those two narrow uses that prescription is available.

The College of Physicians and Surgeons has the responsibility to assure that physicians are not exceeding those very narrow guidelines. I have attempted to find out whether there have been any complaints upon which the college would investigate. I am informed, as of to date, there have been no complaints. Mr. Speaker, I simply indicate to my honourable friend that I would encourage the College of Physicians and Surgeons that should any complaints come forward about the prescription of this medication for birth control that they very quickly investigate and curtail its use for that purpose.

**Mr. Speaker:** The time for oral questions has expired.

**NON-POLITICAL STATEMENT**

**Ms. Avis Gray (Eliche):** May I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Member for Eliche have leave to make a non-political statement? (Agreed)

**Ms. Gray:** The Order of Canada is designed to honour Canadian citizens for outstanding achievement and service to humanity. This prestigious award distinguishes Canadians for exemplary service in a

variety of fields of endeavour. It gives me great pleasure today to rise in this House and to pay tribute to one such Manitoban, Dr. Elizabeth Feniak, who has distinguished herself throughout this country, within her profession and within her community. Dr. Feniak was appointed a member of the Order in a ceremony in Ottawa this year, November 8, 1988.

\* (1420)

A native of Shoal Lake, Manitoba, Elizabeth Feniak received her undergraduate degree in Home Economics from the University of Manitoba and her doctoral degree in Foods and Nutrition from the University of Minnesota. Her professional career was spent at the University of Manitoba where she taught in the Faculty of Home Economics for 35 years, retiring in 1985 from the faculty but not from active community involvement. Her community work includes being active on boards of the Provincial Council of Women, the Action Committee on the Status of Women and the National Council of Women.

Dr. Feniak has been a long-time member of the University Women's Club of Winnipeg where she served as president from 1986 to 1988, and she is a past president of the Manitoba Branch of Delta Kappa Gamma Society International, an honours society for women educators.

Among her professional activities and memberships have been the Manitoba Home Economics Association, Winnipeg Branch, of which she was made an honorary life member in 1973. She currently serves on the provincial committee to register the profession, as well as the interim executive of the recently formed provincial association.

A life member of the Canadian Home Economics Association, she served several terms on the board of directors. In 1980, Dr. Feniak was a founding member of the Canadian Home Economics Association Foundation and she currently chairs its board of trustees. As well, active in the Canadian Diabetic Association, she served several terms on the board of directors and was named Honorary President in 1980 and 1981. She has represented the Canadian Home Economics Association at international levels and is also a member of the International Federation for Home Economics.

Dr. Feniak has received many awards, including the Queen Elizabeth Jubilee Medal in 1977, the CHEA Honour Award in 1976, and was also named Woman of the Year in the professional category by the Winnipeg YWCA in 1982. To recognize her contributions following her retirement from the University of Manitoba, local home economics associations initiated an undergraduate scholarship in her name at the Faculty of Human Ecology.

I have had the pleasure, Mr. Speaker, of knowing Dr. Feniak personally and professionally, and let me say that her leadership and her inspiration to fellow home economists has not gone unnoticed. An author, William Howells, who talks about life as a field of endeavour which seeks to talk about a better quality of life for families. Toward this end, Dr. Feniak has certainly

excelled. Let me quote Howells' words, as they express far better than I the essence of giving of oneself for the betterment of humanity, a quality which Dr. Elizabeth Feniak surely does possess.

"I have come to see life, not as a chase of forever impossible personal happiness, but as a field for endeavour toward the happiness of the whole human family. There is no other success. I know indeed of nothing more subtly satisfying and cheering than a knowledge of the real good will and appreciation of others. Such happiness does not come with money; nor does it flow from a fine physical state. It cannot be bought. But it is the keenest joy, after all, and the toiler's truest and best reward."

I am sure that all Honourable Members of this House will join with me in wishing and extending congratulations and best wishes to Dr. Feniak.

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, may I have leave for a non-political statement?

**Mr. Speaker:** Does the Honourable Minister of Agriculture have leave to make a non-political statement? (Agreed)

**Mr. Findlay:** Thank you. I would certainly like to second the comments of the Member for Ellice (Ms. Gray) who was a home economist who has had direct contact with Dr. Feniak, and I, also a member of Shoal Lake, would dearly like to say a few words today to congratulate Dr. Feniak for her professional and community achievements over her lifetime. I think she reflects very much what I believe in terms of the ability of rural people to be leaders in their professions and leaders in the communities that they live in throughout their lifetime.

It is indeed a pleasure to have been part of the University of Manitoba when she was there and know that she has done so much for her profession and for other citizens of Manitoba, Canada, and internationally. She received many awards which she has dearly earned through her lifetime. I congratulate her and wish her well in the years to come.

**Mr. Speaker:** Does the Honourable Member for Interlake have leave to make a non-political statement? (Agreed)

**Mr. Bill Uruski (Interlake):** Mr. Speaker, along with both Members in the House this afternoon and on behalf of our Party, I would like to associate our group with the sentiments expressed.

Having known Dr. Feniak for the last number of years and having had a daughter graduating from Human Ecology in the University of Manitoba, I know the kind of work and the dedication that it takes to make this profession the kind of profession it is. It is far more than what is generally accepted in layman's terms as baking and cooking and sewing. It is only through the hard work and dedication of people such as Dr. Feniak and others at the university level that we, as Manitobans, can take pride to have people like this involved in our

society. I wish Dr. Feniak very much good health and best wishes in the years ahead.

**Hon. Gary Filmon (Premier):** I wonder if I might have leave to make a non-political statement.

**Mr. Speaker:** Does the Honourable First Minister have leave to make a non-political statement? (Agreed)

**Mr. Filmon:** Mr. Speaker, Jewish people throughout the world are now in the midst of celebrating their annual Hanukkah Festival. Hanukkah, or the Festival of Lights, marks a watershed victory in the cause of religious freedom.

I know I speak for all Members of the Legislature in extending our warm greetings to Jewish people everywhere. The battle for freedom is a continuing battle still being waged in many areas of the world, and the courage of the Maccabees of more than 21 centuries ago which Hanukkah commemorates is a source of inspiration to freedom-loving people of every generation and every time.

Citizens of good will everywhere can find common ground and identify with the ideals expressed in the Hanukkah entreaty which says, "Grant unto all men and nations the blessings of liberty, justice and peace. Let injustice and oppression everywhere cease and hatred, cruelty and wrong pass away."

As an additional candle is kindled on each of the eight days of the festival, may the crescendo of light symbolize the added strength which comes to those who adhere to these ideas, and may this Hanukkah herald a brighter future for humanity and a new era of peace in the Middle East and around the world.

**Mrs. Sharon Carstairs (Leader of the Opposition):** Could I have leave as well?

**Mr. Speaker:** Does the Honourable Leader of the Opposition have leave to make a non-political statement? (Agreed)

**Mrs. Carstairs:** Thank you, Mr. Speaker. I, too, would like to join with the First Minister (Mr. Filmon) in paying homage to the members of our Jewish community who are, of course, celebrating the Festival of Hanukkah, or the Festival of Lights. As the menorah is lit and the children gather round and sometimes even get a little bit of gelt, a little bit of gold, and sometimes gifts, what they have is a celebration of the light that once again dispels the darkness.

It is interesting to note that through a variety of religious observances, often "light" is associated with the festival. The Hindu people, for example, celebrate a festival of lights called Diwali. There are certainly many of us who belong to the Christian faith who, of course, use candles within our Christian services as an example yet once again to brighten the darkness.

May the darkness of the world that sometimes unfortunately pervades us be lit once again by the people of the Jewish faith, and may we light it ourselves again through this season of Advent so that we can indeed bring peace to the whole world.

**Mr. Speaker:** Does the Honourable Member for Interlake have leave to make a non-political statement? (Agreed)

**Mr. Uruski:** I would like, on behalf of our group, to associate ourselves with the sentiments and the statements of our Premier (Mr. Filmon) and the Leader of the Opposition (Mrs. Carstairs) in wishing our friends of the Jewish faith the very best and peaceful of celebrations and in coinciding with all religious celebrations of Advent and coming and peace. We share those sentiments and we wish them the very best and hope that, as mankind, we can in fact break bread together and work towards having a world of peace.

\* (1430)

## ORDERS OF THE DAY HOUSE BUSINESS

**Hon. James McCrae (Government House Leader):** Mr. Speaker, I move, seconded by the Honourable Minister of Finance (Mr. Manness), that the location and sequence for consideration of departmental Estimates as set out in Sessional Paper No. 45 be adjusted by transferring consideration of the Estimates of the following departments from the committee room to the Assembly Chamber to be examined in this order: Employment Services and Economic Security, Northern Affairs, Flood Control and Emergency Expenditures, following completion of Executive Council Estimates.

**Mr. Speaker:** Is there leave of the House to bring forward this motion without any notice? (Agreed)

**Mrs. Sharon Carstairs (Leader of the Opposition):** I just would like to see that motion before—my only question really, and I will ask the question—is Executive Council now being moved to the bottom?

**Mr. McCrae:** Perhaps I might explain the motion by means of debate on the motion, if that would . . .

**Mr. Speaker:** The Honourable Government House Leader, on House Business.

**Mr. McCrae:** The agreement arrived at between the Honourable Member for Inkster (Mr. Lamoureux), on behalf of his House Leader (Mr. Alcock), and the House Leader of the Second Opposition Party (Mr. Cowan) was that the order of Estimates should be as follows: in the committee room, Natural Resources, Energy and Mines and Seniors Directorate; and that the order in the Chamber, following Executive Council, which we are on now, would be Employment Services and Economic Security, Northern Affairs, Flood Control and Emergency Expenditures. I take it that explains it for the Honourable Leader of the Opposition (Mrs. Carstairs).

**MOTION presented and carried.**

**Mr. McCrae:** I move, seconded by the Honourable Minister of Finance (Mr. Manness), that Mr. Speaker

do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Natural Resources and the Department of Energy and Mines; and the Honourable Member for Seven Oaks (Mr. Minenko) in the Chair for Executive Council and the Department of Employment Services and Economic Security.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY—NATURAL RESOURCES

**Mr. Chairman, Harold Gilleshammer:** I call this committee meeting to order to consider the Estimates of the Department of Natural Resources. When last we met, we were on Item No. 3. Engineering and Construction.

3.(a) Administration: (2) Other Expenditures \$218,100—the Member for The Pas.

**Mr. Harry Harapiak (The Pas):** I just had one short question before we get off the Engineering and Construction. I am wondering if the Minister can tell me the status of the Clearwater Lake Lagoon.

**Hon. Jack Penner (Minister of Natural Resources):** There is, Mr. Chairman, a revised proposal being put together. As the Member knows, the previous proposal to deal with the lagoon at Clearwater Lake had been turned thumbs down. There is a new proposal being put; it will be going out to the public. There are some concerns in the Moose Lake area about the proposal and, of course, we will be waiting to hear from residents in the Moose Lake area about that, about the new proposal.

\* (1440)

**Mr. Chairman:** 3.(a)(2)—pass; 3.(a)(3) Less: Recoverable from Other Appropriations—pass; 3.(b) Technical Services: (1) Salaries—pass; 3.(b)(2) Other Expenditures—pass; 3.(b)(3) Less: Recoverable from Other Appropriations—pass; 3.(c) Regional Engineering Services: (1) Salaries—pass; 3.(c)(2) Other Expenditures—pass; 3.(c)(3) Less: Recoverable from Other Appropriations—pass.

Resolution No. 120: Resolved that there be granted to Her Majesty a sum not exceeding \$7,018,500 for Natural Resources, Engineering and Construction, for the fiscal year ending the 31st day of March, 1989—pass.

4. Water Resources: Provides for short- and long-term planning for the use, regulation, development and management of water resources in or available to the province. Includes activities associated with the issuance of Water Power and Water Rights licences, designated area permits, subdivision approvals and

flood forecasting. (a) Administration: (1) Salaries—pass; 4.(a)(2) Other Expenditures—pass; 4.(b) Water Licensing and Approvals: (1) Salaries—pass; 4.(b)(2) Other Expenditures—pass.

4.(c) Water Management: (1) Salaries—the Member for Wolseley.

**Mr. Harold Taylor (Wolseley):** Can the Minister make any comment as to whether he sees this as an area of new or increased activity, given the recent announcement of the Water and Soil Conservation Strategy?

**Mr. Penner:** I do not see any new activity being generated out of this area for this fiscal year. There will, however, I expect be substantial activities generated in this area in the ensuing years under the new initiative.

**Mr. Chairman:** 4.(c)(2) Other Expenditures—pass.

4.(c)(3) Waterway Maintenance—the Member for Wolseley.

**Mr. Taylor:** Any significance in the increase there? Is there an extra project that is involved?

**Mr. Penner:** Pardon me? I am sorry.

**Mr. Taylor:** There is a number of hundreds of thousands of dollars of increase in here. I just wondered if the Minister could explain what is going on in that increased activity.

**Mr. Penner:** The increases that you see there are due mainly to the soil drifting that we incurred this spring and the clean-out of provincial drainages that we had to do.

**Mr. Chairman:** 4.(c)(3) Waterway Maintenance—pass; 4.(d) Hydrotechnical Services: (1) Salaries—pass; 4.(d)(2) Other Expenditures—pass; 4.(e) Regional Management: (1) Salaries—pass.

4.(e)(2) Other Expenditures—the Member for Wolseley.

**Mr. Taylor:** I wanted to ask somewhere in this Water Resources area is that the provincial drainage system creates some fairly large ditches of which there are structures over them for their local roads. Maintenance of those structures has become a fairly significant issue in certain parts of the province. Does the Minister have a comment he would like to pass on of what he sees his administration doing to correct the serious deterioration of those ditch crossings?

**Mr. Penner:** The Honourable Member is certainly correct. We do have a large network of provincial drainage ditches and other drainage ditches connecting into our provincial drainage system. The maintenance of that system including road crossings and bridges, which would include bridges, culverts and other things, are certainly very costly to maintain including making sure that the drainage ditches in fact stay in a state of being able to take the large amounts of water that

we incur in times of spring runoff especially and large rainstorms. It has been somewhat of a difficulty for the department in times of budgetary restraints to keep maintenance budgets in a state that we are able to care for the structures that have been built.

I guess one thing Government, as well as private industry, runs into periodically is that in good times we find ourselves in a situation where we are able to build structures without probably paying enough attention to the ongoing maintenance that we have to incur down the road. I guess that is where we find ourselves now and the previous administration found themselves, I guess, in a similar situation. When budgetary cuts were required, Natural Resources, I guess, in a way has always been singled out as an area that we can cut without too much pain and without too much public resistance to decreasing budgets.

\* (1450)

I think it is time that the public recognized that if we are going to maintain the structures that are required to maintain (1) a good road system in this province, and (2) a good drainage system that will ensure the productivity of the lands that we need for sustaining agricultural industries and also for enjoyment such as parks and other areas, that we are going to have to pay some budgetary attention to natural resources in the Natural Resources Department. I think you will see that sort of indication coming forward from this department during the next year's budgetary process.

**Mr. Chairman:** 4.(e)(2) Other Expenditures—pass; 4.(f) Canada-Manitoba Flood Damage Reduction Agreement: (1) Salaries—pass.

4.(f)(2) Other Expenditures \$88,600—the Member for The Pas.

**Mr. Harapiak:** I just have one question in this area. The present Minister of Highways (Mr. Albert Driedger) said that all that is needed to get some federal funding in here is a little more cooperative approach. I am wondering if the Minister had any success in getting federal funding towards the rebuilding of some dikes in the Red River Valley.

**Mr. Penner:** As you are probably aware, the agreement that we had with the federal Government as far as diking the Red River Valley, as well as other areas, expires this year. We are in discussions currently to try and put a new agreement into place and/or extend the current agreement that was in place. As far as diking is concerned, hopefully, there will be an arrangement agreed upon fairly soon that will allow us to indicate to Manitobans that we will continue the program that was in place.

**Mr. Chairman:** 4.(f)(2) Other Expenditures—pass.

Resolution No. 121: Resolved that there be granted to Her Majesty a sum not exceeding \$9,689,100 for Natural Resources, Water Resources, for the fiscal year ending the 31st day of March, 1989—pass.

5. Parks: Provides for the establishment, planning, development and management of a resource-based

provincial park system for the healthful enjoyment and cultural, educational and social benefit of the people of Manitoba. (a) Administration: (1) Salaries—the Member for The Pas.

**Mr. Harapiak:** I had asked the question earlier on a planner for northern Manitoba. Could the Minister tell us at this time who is doing the planning and where is that person located in for the North?

**Mr. Penner:** The question that the Honourable Member placed with me before as far as parks managers are concerned and who is the manager for the North, I want to indicate to the Member that we have a new Parks Director who took office about a month before I came into office under the previous Minister, Mr. Plozman's tenure. He has, I guess, restructured somewhat the whole Parks operation. There will now be regional managers in Parks, and the regional manager for The Pas area is Rod MacCharles.

**Mr. Harapiak:** Would Mr. MacCharles be in charge of planning as well?

**Mr. Penner:** He would be involved in the normal planning process for his region. In other words, when there are projects to come on stream that he would want to see and recommend, he would go through the normal process in a departmental process and bring his concerns to the department. It would be included in the overall Parks plan, and he would make sure that the facilities required in his area would be brought to the attention of the Provincial Parks Planner.

**Mr. Harapiak:** There was some development that had been put on hold in the Hugo Bay area. Has there been any consideration given to reopen that area that had been developed previously by the Parks Branch?

**Mr. Penner:** No.

**Mr. Chairman:** 5.(a)(1) Salaries—pass; 5.(a)(2) Other Expenditures—pass; 5.(b) Park Planning: (1) Salaries—pass; 5.(b)(2) Other Expenditures—pass; 5.(c) Program Management: (1) Salaries—pass; 5.(c)(2) Other Expenditures—pass.

5.(d) Park Operations and Maintenance: (1) Salaries—the Member for Wolsley.

**Mr. Taylor:** The \$800,000 salary increase, is it the same explanation as the other salary increases I asked yesterday?

**Mr. Penner:** I guess the answer for the adjustment there is similar to the answers I provided yesterday, and that is the agreement required us to increase substantially the salaries of some of the employees. Also, some of the normal adjustments in salaries due to yearly increases are part of that increase.

**Mr. Taylor:** They are not staff increases?

**Mr. Penner:** No, there are no staff increases there.

**Mr. Chairman:** The Hansard staff are still having some difficulty picking you up on the mike.

**Mr. Taylor:** . . . so soft-spoken. A certain Minister did not think that last night.

**Mr. Chairman:** 5.(d)(1) Salaries—pass.

5.(d)(2) Other Expenditures \$2,820,600—the Member for Wolseley.

**Mr. Taylor:** The Minister moments ago mentioned there have been problems in previous years where there have been Budget cuts, and this is one of the departments that got those sorts of cuts, maybe moreso than others, and also talked about maintenance levels on, for example, the ditches and the structures for the drainage system. One also can look at the maintenance levels in Parks and I think, in all fairness, raise some very serious questions, whether it is in a case of regular maintenance or whether we had the unfortunate incident where we had the windstorm coming across Lake Winnipeg and doing rather severe damage in the Grand Beach area, in the fact that the beach damage took a heck of a long time to be cleaned up. There were a lot of dissatisfied people in the sense that notwithstanding there may have been limitations on that budget, there seemed to be a tardiness in the transfer of operating funds from other accounts to take care of that. Has the Minister got a comment to make about what he sees for improvements in park maintenance through different approaches and managerial techniques or logistical improvements?

**Mr. Penner:** First of all, in response to the Honourable Member, the clean-up at the beaches was delayed not because of budgetary restraints, but was delayed in large part to the safety of the area's clientele there.

Remember it was in the middle of the tourist season and our Parks people, our staff decided that they would attempt to clean up the debris, at least the major portion of the debris that was prevalent on the beaches and the beach areas. It became very evident almost immediately that when you do those kinds of things with large numbers of children and even adults around that it becomes somewhat of a curiosity piece and, therefore, attracted too many people. For safety's sake, we stopped the clean-up operation and convened it again later on in the year in the fall. It was simply because we were concerned about the safety of children and adults in that whole beach area that we stopped the clean-up and convened it later on.

The second part of your question, as to what I see in the future as far as managerial and maintenance of our parks' facilities are concerned, I believe that if we restructure, as our current director is doing, some of the activities can be changed. There might have to be also some enhanced efforts to maintain and maybe even rebuild some of the structures that are depleted so badly that they are almost beyond repair in some areas.

\* (1500)

There are a number of options, I suppose, that we will be considering over the winter months, and one of the directions I have given to the Parks department is that I want them to consult very closely with those

people who live in the parks and do business in the parks, in other words, the cottage lot owners' associations in the various parks that we have, as well as the various business associations that we have in the various parks. By those kinds of consultations, I think we will get a fairly clear understanding as to what the needs of the people are who use our parks in more ways than one. Once we have garnered that from the general public and the public that uses our parks, we will be able to assess what needs to be done in the parks and then we will budget in the future for that.

**Mr. Chairman:** 5.(d)(2)—pass; 5.(e) Visitor Services: (1) Salaries—pass; 5.(e)(2) Other Expenditures—pass.

Item 5.(f) Grant Assistance—the Member for Wolseley.

**Mr. Taylor:** What was the rationale for this major cut in the grant?

**Mr. Penner:** The cut in grant, there was some question as to—maybe I should go back just a wee bit for your information. You might not know, and some might not know, that we have in the province three organizations that work in Parks as cooperating organizations. There was a fourth one formed just a little while ago. These are people who would like to spend some of their time on a voluntary basis assisting Parks people, and making sure that the enjoyment of those who visit our parks are more enjoyable.

Those associations had been indicated that they would receive start-up grants over a five-year period, starting with \$5,000, increasing to \$15,000 and decreasing to \$5,000 in the last year, helping them get started. They will become viable commercial operations, operating such things as maybe book stores and souvenir shops and all those kinds of things that go along with visiting a park. There was some question during the budgetary process this year and, because of that, the amounts that were designated toward the cooperating associations were deleted and later on were reinstated and came out of the appropriations, channelled appropriations.

**Mr. Chairman:** Item 5.(f) Grant Assistance—pass.

Resolution No. 122: Resolved that there be granted to Her Majesty a sum not exceeding \$14,597,000 for Natural Resources, Parks, for the fiscal year ending the 31st day of March, 1989—pass.

6. Lands: Provides for administration of all Crown Lands and the maintenance of a Crown Lands Registry System. (a) Administration: (1) Salaries—the Member for The Pas.

**Mr. Harapiak:** I have a question on the availability of lots in northern Manitoba. There have been a lot of calls from people in the areas of Flin Flon, Snow Lake, and at the Athapapuskow Lake in Flin Flon, the Rocky Lake area of The Pas, and also in the Pink Lake regions of Thompson. Are there any plans for bringing more cottage lot sites onto location because there is a real shortage of lots in northern Manitoba? Are there any plans to develop some lots?

**Mr. Penner:** As you indicate, it is true there is a demand for cottage lot and cottage lot development in that

area. Outside of the parks, we would prefer to see a private initiative being taken in the development of those kinds of cottage lot developments. Inside the parks, there are some cottage lots available. If, however, there is a further requirement to develop lots in the areas, we will take a look at it.

**Mr. Harapiak:** How will these lots be brought on to—will they be contracting out projects or how will they be brought onstream?

**Mr. Penner:** Again, we have a number of people out in some of the areas who are interested in some private initiative towards development of these lots and, once we allow development to take place or once development does take place, they would be sold as under the normal process. If it is Crown land that is required for the development of some of these areas, certainly we can dispose of Crown land to private operators for development of those areas.

**Mr. Jerry Storie (Flin Flon):** I am pleased to hear the Minister's comments with respect to recreational lots. I am wondering if the Minister could provide some information on two proposals that have come from the Flin Flon region, one that would propose some development within, I believe, the recreation park area, one which would be outside of it on Crown land. Could the Minister indicate where either of those proposals are, whether there has been any preliminary review of the proposals by the department and, if so, what decisions have been arrived at?

**Mr. Penner:** There is an interest in that area for cottage lot development. There has been an application extended to the department at Athapap and that is being considered at this time. What would happen once the decision had been made to allow cottage lot development in that area would be that we would go through the normal tendering process. The other area that some interest has been shown is Rocky Lake, although no formal application for development has been received from that area.

**Mr. Storie:** Has the department, as has been requested by at least the Greenstone Tourism Committee, identified a lake with limited other resource use for that committee that might be suitable in terms of recreational cottage lot development?

**Mr. Penner:** Oh, I think both Athapap and Rocky Lakes are acceptable lakes for development of the nature that you refer to, unless there is something else that you might want to ask in that regard.

\* (1510)

**Mr. Storie:** One of the proposals that the Minister received from the Greenstone Tourism Committee was the proposal to look at smaller lakes in the vicinity that would be allocated to the committee for cottage lots development. It would be done privately or through the non-profit corporation, through a development corporation perhaps, of the Greenstone Business Development Centre. I am wondering if the Minister is

sympathetic to that kind of development and whether any movement has taken place within the department to allocate such a lake.

**Mr. Penner:** Are you indicating that there was actually an application sent to the department for the development of a specific lake or specific lakes, or was there a request for the department to identify some lakes?

**Mr. Storie:** My recollection is that the committee sent a letter identifying two or three possible lakes.

**Mr. Penner:** Can you name them?

**Mr. Storie:** Niso, Twin Lakes—I cannot remember the third off the top of my head, but I think they were asking the department to review the potential for the kind of development they had in mind for those particular areas. My final question—I appreciate that, I hope the department is sympathetic—I am wondering whether the Minister would be interested in making or having a proposal call for that region requesting local groups, be they local entrepreneurs or development corporations or non-profit groups, for making a proposal.

**Mr. Penner:** Well, certainly, we are very interested, whether they be community groups or private individuals or other groups that would come with proposals for development of specific areas. Once we have those kinds of proposals brought forward, then our department can certainly take a look at whether the development of that specific area should be considered.

**Mr. Storie:** To speed the process, would the Minister be willing to commit some staff time to identifying, in advance of a proposal, a suitable recreational lake, because it would be time consuming and perhaps a waste of effort for groups to make proposals on lakes in which there is significant commercial fishing value already existing, interest in terms of the fishing resource by lodge owners, etc.? Is it possible for the department to sit down with the committee or individuals and identify a lake and then, subsequent to having one identified in the region, say, let us have a proposal call and develop the area?

**Mr. Penner:** If the Honourable Member is indicating to me that we as a department should go out there and identify to various communities certain lakes that they could use or that we would be willing to take proposals on, the answer at this time would be no. I would suggest to the Honourable Member that I think it is much more expeditious for certain interest groups or individuals to come forward with a specific proposal or a proposal for development on a given lake, and we will then decide whether that lake should be developed. That would, in my view, be a lot more beneficial to everybody and the process could be expedited.

**Mr. Storie:** A final, final, final question. I have seen a letter that the Minister sent to a group in Flin Flon that, to my reading and the reading of the individual who



received it, categorically rejected the addition of cottage lots in the Flin Flon area because of concerns over the lack of sewage disposal facilities. I am wondering whether a requirement of any proposal would be a satisfactory resolution of that problem, or am I mistaken that that was the Minister's intention in that letter?

**Mr. Penner:** I think, Mr. Chairman, that the Honourable Member for Flin Flon (Mr. Storie) would concur that any development or any submission for development, proposal for development should be—the No. 1 and first requirement should be to make sure that the environment is properly protected. As I have indicated on numerous occasions in the House, any development proposal that we in Natural Resources or in Water Resources or in the development of other areas will entertain will be required to have that kind of an environmental assessment.

It would appear to me that, if I remember correctly, the correspondence that you refer to that took place would appear to me that my answer was simply based on that assumption that the environment and the protection of the environment should be considered, first of all, and that the further development of that area that you referred to would have to make sure that the sewage disposal and those sorts of things are taken care of in a proper manner and that the quality of the waters in the lakes not be put in a detrimental position because of further development there.

**Mr. Storie:** You presume too much. I have no further questions.

**Mr. Chairman:** 6.(a)(1) Salaries—pass; 6.(a)(2) Other Expenditures—pass; 6.(b) Crown Lands Administration: (1) Salaries—pass; (2) Other Expenditures—pass; 6.(c) Regional Management: (1) Salaries—pass; (2) Other Expenditures—pass; 6.(d) Crown Lands Registry: (1) Salaries—pass; (2) Other Expenditures—pass; 6.(e) Northern Development Agreement - Provincial - Wild Rice: (1) Salaries—pass.

6.(e)(2) Other Expenditures—the Member for The Pas.

**Mr. Harapiak:** It is only because of the shortage of time that we are not asking many questions in the whole area of wild rice production, but I noticed there is an increase in staff for this area. I think it is an extremely important area that is growing and we certainly support any initiative in that area.

**Mr. Chairman:** Order, please. I would ask Members at the table having a private conversation if they would move to the back.

**Mr. Penner:** I think we need to correct the comments that were made. There have been no staff increases in the wild rice area. The number that the Honourable Member is looking at is due to salary adjustments.

\* (1520)

**Mr. Chairman:** 6.(e)(2) Other Expenditures—pass.

Resolution No. 123: Resolved that there be granted to Her Majesty a sum not exceeding \$1,946,600 for

Natural Resources, Lands, for the fiscal year ending the 31st day of March, 1989—the Member for Wolseley.

**Mr. Taylor:** At this time, I would like to bring up the issue of deterioration at human hands of Beaconia Beach and other similar properties that come under the purview of the Lands administration of Natural Resources. This has been raised in the House previously by myself and I have had private conversations with the Minister. Has the Minister anything to put on record about the specific incident and about the issue in general about people going for free-for-alls and encouraging and fostering the deterioration of provincial lands and impacting negatively provincial wildlife?

**Mr. Penner:** I guess I could spend a couple of hours indicating what we have experienced on Beaconia Beach and what we have listened to and especially the conversations that have taken place between various people, including the Honourable Member.

It would appear to me that some of the things that have been publicized are somewhat erroneous, and I would suggest that some of the people who have made use of the beach area either by vehicle or otherwise have done so because there was limited access to other vehicles other than four-wheel-drive vehicles and it became a very much liked area for those who had interest in running their four-wheelers down the beach and those kinds of things. An interesting thing happened though. When we indicated to groups that there was probably littering going on on the beach, that very group went back to the beach and cleaned up.

**An Honourable Member:** Their own mess.

**Mr. Penner:** I am not so sure whether it was just their mess or even other people. We human beings all seem to have a problem when we walk along somewhere. It is easier to drop things than it is to pack things out of certain areas. I think we are all guilty of that at times, and it is somewhat of a concern to me that we point fingers in a general direction when the occasion suits.

I think there has been at times too much emphasis put on one or two individuals' concerns in those areas. I think beaches in this province are generally there for the enjoyment of all citizens in this province. That is not to say necessarily that they must all be enjoyed in the same manner. For that reason, I think there has been some real effort put by local Government districts and municipalities to ensure that access to that beach will be better than it was before, thereby giving authorities a better access to the area and they will be better able to enforce the law in those areas. I think that will, in general, in the long term, benefit the area for all concerned.

I think the municipality needs to be congratulated for the initiative that they have taken to make sure that the concerns that have been voiced in the Legislature, as well as some other places, are also a concern to them. It is also a concern to myself and my staff that these kinds of things do go on, and anything that we can do that will stop the littering on our beaches and the degradation of the ecosystem in those areas we

will attempt to do. However, it is certainly not possible for our staff to ensure that there are no infractions in any areas of this province at any time. So I guess we will always be faced with these kinds of difficult areas, whether they are at Beaconia or whether they are transferred to some other place.

I just want to indicate to the Honourable Member that this has taken probably more of my time and my staff's time than probably any other single issue that we have dealt with during the summer months. Should we spend that much time on all other issues, we would simply have to increase our staff tremendously to just look after those kinds of concerns that have been addressed to my office.

**Mr. Taylor:** I would like to say that I am pleased to hear the Minister's comments that the department has now taken an interest in this issue and that he has offered leadership on the matter. I would pass a note back to him though to bear in mind that this beach had been a family beach for both locals and people from outside the area before basically they were run off by the four-wheel-drive vehicles.

The comments he made about looking out for the beach in the future, I think is good, and I think also there was something to be learned in this exercise that, hopefully, can be applied to other similar but not identical circumstances in that it will not be necessary to reinvent the wheel in every case when these things do come up from time to time. Thank you.

**Mr. Chairman:** Resolution 123: Resolved that there be granted to Her Majesty a sum not exceeding \$1,946,600 for Natural Resources, Lands, for the fiscal year ending the 31st day of March, 1989—pass.

7. Forestry: Provides for programs to foster full utilization and management of forestry resources and provides information regarding all forestry resources. Provides for the protection of forest lands; develops, implements and monitors operating policy relative to the development and utilization of forest resources and provides for the administration of forest management and renewal agreements. (a) Administration: (1) Salaries—the Member for The Pas.

**Mr. Harapiak:** I guess this is an area that I would like to take a couple of hours in, but I recognize that we are over our time already. I would just ask a couple of questions. Are there any cutbacks in the nursery production in the Clearwater Lake Nursery?

**Mr. Penner:** No, there are not.

**Mr. Harapiak:** Have the negotiations been completed on extending the cutting area for the Repap and the Weyerhaeuser? They were trying to extend their area. Have the negotiations been completed into extending into the Swan River area, which would have prevented the oriented strand board from being built in Swan River?

**Mr. Penner:** As the Honourable Member knows, neither Repap nor Weyerhaeuser operates in this province, nor

am I aware of any operations that have been started by them. We have not granted any cutting areas or rights to either one of those companies at this time.

**Mr. Harapiak:** Have the negotiations been completed?

**Mr. Penner:** Negotiations on what?

**Mr. Harapiak:** For the extension of the cutting area?

**Mr. Penner:** No, there is no change in cutting areas at all.

**Mr. Chairman:** 7.(a)(1)—pass; 7.(a)(2) Other Expenditures—pass.

7.(a)(3) Grant Assistance—the Member for Wolseley.

**Mr. Taylor:** I would like to ask you a question at this time. I understand that the grant that the City of Winnipeg gets for Dutch elm disease has somewhat of a purview in this department, although I do not know if the money actually comes from Natural Resources. The question I wish to raise with the Minister is the fact that for, I believe it is eight years now, that grant that the City of Winnipeg received to help in the maintenance of elm trees, which are the main boulevard trees of this city, has been fixed. It has never been increased, even though there have been repeated requests through official delegation from this administration and the previous administration.

The request that I put to the Minister is that there should be some sort of an increase, because what is happening is that over time the buying power of that contribution for the joint program is deteriorating. The city has increased significantly in a number of ways its contribution to the point now that it is very much more the larger contributory, I think on a two-for-one ratio, and the fact that the grant to the City of Winnipeg is approximately 62 percent of that of the grants to other towns and villages and cities in the province.

**Mr. Penner:** The grant to the City of Winnipeg is the same as to other municipalities. I guess we could, as a province, consider an increase to the Dutch Elm Disease Program to the City of Winnipeg.

It is, however, I suppose also the responsibility of a Government to make sure that taxpayers can actually afford to pay the amounts required to put in place programs such as either the DED Program or many other programs, such as the health programs that we want, the social programs that we require, and in many other areas. I think a Government must prioritize the importance of whatever programs are required and then assess how much the general public will in fact be willing to contribute to the maintenance of those kinds of programs. I guess that is where we find ourselves in here.

\* (1530)

When we look at the DED Program and the City of Winnipeg and the maintenance of the boulevard trees in the City of Winnipeg, although we recognize the

beauty of them and we also recognize that we would like to maintain Winnipeg as probably one of the most treed cities in Canada—I certainly appreciate the beauty of the city and the trees herein—I think the province has made a substantial contribution towards keeping the Dutch elm disease out of the province and will do so, hopefully, in the future. I think we must remember that when we are asked to continually make budgetary cuts in given areas, then the DED Program is exempted from those kinds of decisions.

**Mr. Taylor:** I will just point out information I have to the Minister is that the contribution to the other urban municipalities in Manitoba is \$1 per capita compared to about 60 percent to 62 percent per capita for Winnipeg. Secondly, I will ask the Minister, he can leave if he wishes on the record, a rhetorical question is, what is the cost—and the Minister might want to listen to this—of not maintaining those trees in the sense of having a less healthy environment in the city? What is the cost for the removal of the trees over roughly a two-year period when the disease hits because we have not staved it off with high maintenance levels? I would suggest to him the numbers I have are in the range of \$60 million to remove those trees and take them away and destroy them.

**Mr. Penner:** I guess, No. 1, to set the record straight as to how much the province contributes to the DED Program in other municipalities, it is my understanding that we contribute to the R.M.'s on a dollar-for-dollar basis. In other words, we match, dollar-for-dollar basis, the program. The City of Winnipeg receives a flat \$350,000 and, if there are—I am not sure exactly how many people there are in the City of Winnipeg but, if the 600,000 figure is correct, then it would appear to me that the City of Winnipeg in fact receives more than a better deal than 50-50 on a per capita basis. It would appear to me then that the City of Winnipeg, although minimal, receives a minimal benefit over and above what the R.M.s do.

On top of that, it appears that the Urban Affairs Department also contributes to the DED Program and, therefore, again would be a contribution above the 50-cent dollars that the municipalities receive.

**Mr. Taylor:** The flat \$350,000 is all that is received from the Province of Manitoba. At times, there have been other joint city-federal programs and, on one occasion in the last eight years, there was a joint federal-provincial-city program. Other than that, there has never been, as far as I know, any other contributions by Manitoba, and the city's contribution now is approaching a million dollars, I believe.

**Mr. Penner:** It would appear to me that the last comments again need to be probably addressed with Urban Affairs, but there are a number of times that contributions have been made through the Urban Affairs Department and as contributions to the DED Program. It is an indication that the province is very aware of the seriousness of the Dutch elm disease problem, and it is also very aware of what the costs are to the province of maintaining that program. Therefore, I say when the judgment call is made on maintaining some of these programs, it will be reviewed, as are other programs.

**Mr. Chairman:** 7.(b) Forest Management: (1) Salaries—pass; (2) Other Expenditures—pass; 7.(c) Silviculture: (1) Salaries—pass; (2) Other Expenditures—pass; 7.(d) Forest Protection: (1) Salaries—pass; (2) Other Expenditures—pass; 7.(e) Regional Management: (1) Salaries—pass; (2) Other Expenditures—pass; 7.(f) Northern Development Agreement - Provincial - Forest Renewal: (1) Salaries—pass; (2) Other Expenditures—pass; 7.(g) Forest Development Program: (1) Salaries—pass; (2) Other Expenditures—pass; 7.(h) Canada-Manitoba Forest Renewal Agreement: (1) Salaries—pass; (2) Other Expenditures—pass.

Resolution No. 124: Resolved that there be granted to Her Majesty a sum not exceeding \$12,221,500 for Natural Resources, Forestry, for the fiscal year ending the 31st day of March, 1989—pass.

8. Fisheries: Provides for the management of sport and commercial fisheries, fish stocking, fish habitat programs and for Northern Fishermen's Freight Assistance. (a) Administration: (1) Salaries—pass.

8.(a)(2) Other Expenditures—the Member for Wolseley.

**Mr. Taylor:** I would propose that if there are no other questions that an omnibus motion would be in hand to pass all the sub-items and one motion to pass the main item itself.

**Mr. Chairman:** Our instructions are that we have to go line by line.

**Mr. Taylor:** Are you referring to instructions from the House?

**Mr. Chairman:** From my Honourable Clerk.

**Mr. Taylor:** It is an acceptable procedure to use an omnibus motion and it certainly would speed things up.

**Mr. Chairman:** By leave in the House, you can do so. Our instructions are to go through it line by line.

8.(a)(2)—pass; 8.(b) Regional Management: (1) Salaries—pass; (2) Other Expenditures—pass; 8.(c) Fish Culture: (1) Salaries—pass; (2) Other Expenditures—pass; 8.(d) Fisheries Enhancement: (1) Salaries—pass.

8.(d)(2) Other Expenditures—the Member for The Pas.

**Mr. Harapiak:** I just wanted to ask a question on the fishing in the Saskatchewan River. It has been affected by the Campbell Dam in Saskatchewan and the Grand Rapids Dam in Manitoba, and fish in that area have been deteriorating. Is the Minister open to a program the same as was conducted in Lake Winnipegosis to give that industry an opportunity to recover like it has in Lake Winnipegosis?

\* (1540)

**Mr. Penner:** That is a difficult one. It appears to me that there needs to be a review of what happened in

that area and what the downstream effects have been on the actions taken on some of that river, and then assess what further actions need to be taken, if any.

**Mr. Harapiak:** Is the department open to stocking the Saskatchewan River because there is a capacity that is available at the Grand Rapids Hatchery which will be utilized to a much greater degree this year. So is it open to stocking in the Saskatchewan River as well?

**Mr. Penner:** We are currently assessing what the needs are in that area. We are also currently assessing what should happen to the Grand Rapids Fish Hatchery in the future and the future operations of the hatchery, whether they can be enhanced or whether we should continue to operate them as we have been, or whether we should take another look at the whole fish hatcheries initiative in the province.

**Mr. Harapiak:** Has there been any progress made with Manitoba Hydro to support the operating costs of the hatchery in Grand Rapids?

**Mr. Penner:** There have been some discussions take place between Manitoba and our department as to the operations of the fish hatchery. Manitoba Hydro has fairly clearly indicated that they believe that they have no further liability or responsibility to the maintenance of the operation of the fish hatchery at this time.

**Mr. Harapiak:** Did you say Manitoba Hydro feels they have no responsibilities?

**Mr. Penner:** Yes.

**Mr. Harapiak:** So they have definitely decided against supporting it?

**Mr. Penner:** They are simply maintaining the same position that they have had for a number of years as to the operation of the fish hatchery at Grand Rapids.

**Mr. Chairman:** 8.(d)(2)—pass; 8.(e) Commercial Fishing Management: (1) Salaries—pass.

8.(e)(2) Other Expenditures—the Member for Dauphin.

**Mr. John Plohman (Dauphin):** I am only going to say that let the record show that we would have had a number of questions in this area but, because of the time, we were not able to ask, as with a lot of other areas in here. I firmly disagree with this process but I have no alternative.

**Mr. Taylor:** I will echo those concerns, given what has happened in the Estimates process. Time management having fallen apart, it might be in good order when the caucuses negotiate for the next Session that the departments be done in reverse order.

**Mr. Penner:** It certainly was not my doing that four or five hours were allocated towards Natural Resources. I believe Natural Resources is a large department, sometimes very underestimated. I think that in the due

process I would not be at all adverse to spending more time in Natural Resources and reviewing the operation of Natural Resources. The comments that have been made by the Honourable Members at the table are valid comments. I would hope that for the betterment of the resource department, I would think that we might use a different process to allocate time next time around.

**Mr. Plohman:** Yes, just one final comment on that, just for the staff's benefit, the reason why there was only five or six hours allocated and then down to four was because some 40 hours or 50 hours were used in one department earlier on, Community Services, Health, and it got to the point where there were very few hours of the 240 left. I just want that to be known to the staff, because actually I know there is a lot of preparation goes into these Estimates and we are very interested in a lot of areas. We just do not have time to deal with them.

**Mr. John Angus (St. Norbert):** With respect to the giving up of time, I would like to request permission of the committee to ask time about the water supply to the City of Winnipeg from Shoal Lake, whether it should be done now or whether it should be done at the general line. I think that particular portion may have been passed but I would like to—notwithstanding the agreements that have been made between the House Leaders, it is a legitimate question on behalf of 600,000 citizens and I would like it addressed.

**Mr. Chairman:** At the moment, we are dealing with Commercial Fishing Management and I would suggest, under the Minister's Salary, it could be discussed.

**Mr. Angus:** Oh, good.

**Mr. Chairman:** 8.(e)(2) Other Expenditures—pass; 8.(f) Sport Fishing Management: (1) Salaries—pass; (2) Other Expenditures—pass; 8.(g) Northern Fishermen's Freight Assistance—pass; 8.(h) Fishermen's Loan Program Administration—pass.

Resolution No. 125: Resolved that there be granted to Her Majesty a sum not exceeding \$4,170,900 for Natural Resources, Fisheries, for the fiscal year ending the 31st day of March, 1989—pass.

9. Wildlife: Provides for programs to manage and develop wildlife resources for commercial and recreational uses. (a) Administration: (1) Salaries—pass; 9.(a)(2) Other Expenditures—pass; 9.(b) Operational Management: (1) Salaries—pass; 9.(b)(2) Other Expenditures—pass; 9.(b)(3) Grant Assistance—pass; 9.(c) Habitat Management: (1) Salaries—pass; 9.(c)(2) Other Expenditures—pass; 9.(d) Biological Services: (1) Salaries—pass; 9.(d)(2) Other Expenditures—pass; 9.(d)(3) Grant Assistance—pass; 9.(e) Regional Management: (1) Salaries—pass; 9.(e)(2) Other Expenditures—pass; 9.(f) Northern Development Agreement - Provincial - Wildlife Management: (1) Salaries, \$128,300—pass; 9.(f)(2) Other Expenditures—pass.

(g) Fur Management: (1) Salaries—the Member for The Pas.

**Mr. Harapiak:** One question, what would be the assistance for the trappers for converting to the more humane types of trapping?

**Mr. Penner:** We have had discussions with the Trappers' Association, as well as we have had discussions with our federal counterparts on the implementation of a more humane trapping system. However, I should indicate to you that we in the province probably are one of the few provinces that has in fact in a very minimal basis entered into a Trap Exchange Program. Hopefully, if we can get funding to expand that Trap Exchange Program which will lead towards the more humane trapping practices.

I think the most important one here too is the education program for trappers that we have embarked upon and new trappers that we have embarked upon this year is a significant step forward, and I would think will lead eventually to a much more humane way of taking animals for fur, whether it is for fur or for human consumption.

\* (1550)

**Mr. Chairman:** 9.(g)(1) Salaries—pass; 9.(g)(2) Other Expenditures—pass; 9.(g)(3) Grant Assistance—pass; 9.(h) Canada-Manitoba Waterfowl Damage Prevention Agreement—pass; 9.(j) Commercial Wildlife Management: (1) Salaries—pass; 9.(j)(2) Other Expenditures—pass; 9.(j)(3) Grant Assistance—pass; 9.(j)(4) Big Game Damage Compensation—pass.

Resolution No. 126: Resolved that there be granted to Her Majesty a sum not exceeding \$5,035,100 for Natural Resources, Wildlife, for the fiscal year ending the 31st day of March 1989—pass.

10. Surveys and Mapping: Provides a central provincial service in legal and control surveys, topographic and geographic mapping and remote sensing. Provides for the maintenance of a provincial air photo library and operation of a central map office. (a) Administration: (1) Salaries—pass; 10.(a)(2) Other Expenditures—pass; 10.(b) Field Surveys: (1) Salaries—pass; 10.(b)(2) Other Expenditures—pass; 10.(b)(3) Less: Recoverable from Other Appropriations—pass; 10.(c) Mapping: (1) Salaries—pass; 10.(c)(2) Other Expenditures—pass; 10.(c)(3) Less: Recoverable from Other Appropriations—pass; 10.(d) Map Distribution and Remote Sensing: (1) Salaries—pass; 10.(d)(2) Other Expenditures—pass; 10.(d)(3) Less: Recoverable from Other Appropriations—pass; 10.(e) Computer Services and Data Management: (1) Salaries—pass; 10.(e)(2) Other Expenditures—pass.

Resolution No. 127: Resolved that there be granted to Her Majesty a sum not exceeding \$3,295,700 for Natural Resources, Surveys and Mapping, for the fiscal year ended the 31st day of March 1989—pass.

11. Resource Support Program: Provides for the operation of the offices of the Manitoba Water Commission, Garrison Diversion Opposition and the Conservation Districts Authority. Provides funding for the Manitoba Habitat Enhancement Fund and grant support to the Natural Resource Institute. (a) Manitoba Water Commission—the Member for St. Norbert.

**Mr. Angus:** Are we maintaining an office for Garrison?

**Mr. Penner:** We do pay part of a salary towards a lobbyist, a lawyer situated in Washington who deals with these issues on an ongoing basis.

**Mr. Angus:** When was that last reviewed as to return on investment, as it were?

**Mr. Penner:** It is reviewed on an ongoing basis. We have discussions periodically in our department whether we should or should not, or whether we should increase our activities there or not. As you are probably aware, the Americans are considering construction possibilities on the Garrison right now. We are keeping an eye on what—our person in Washington is keeping an eye on what is being said and what direction it might take and, if it is deemed that it might be adversarial to our interest, we will make our views known.

**Mr. Plozman:** Mr. Chairman, a couple of questions on this issue, can the Minister indicate what agreement he was talking about in the House that the previous Government signed with regard to Garrison? He said on November 2 that is in an agreement that "I can put on record and would be willing to table in this House." He also referenced that the NDP administration were signatories to the Garrison agreement. I would just ask the Minister, if he has that agreement that he is talking about, would he be willing to table it in the House?

**Mr. Penner:** I was referring, Mr. Chairman, to the Reformulations Act.

**Mr. Plozman:** In fact, there is no such agreement then that the Minister was talking about that the previous Government were signatories to. In fact, he is talking about the Garrison Diversion Unit Reformulation Act of 1986, which is an act of the Congress and House of Representatives of the United States.

**Mr. Penner:** Yes, and Manitoba agreed to the conditions of the Act.

**Mr. Plozman:** I do not see a signature on the bottom here or even a place for Manitoba's signature on this act. Surely, the Minister will now admit that he was not providing accurate information in the House when he came forward and said that the Manitoba Government, the NDP administration, were signatories to the Garrison agreement and he can put it on record and table it in this House. There was no such agreement. Is that a fact? The Minister has admitted that, and will he now withdraw his allegation that there was an agreement signed by the previous Government?

**Mr. Penner:** I indicated to the House that Manitoba had agreed to allowing water to flow out of the Garrison project and into the Cheyenne River to supply water to the Cities of Fargo and Grand Forks, and that one of the provisions of the agreement states very clearly that it be done in such a manner that the biota transfer will not take place that had been referred to at times. That is what I was referring to in my remarks in the House.

**Mr. Plohan:** Mr. Chairman, the Minister continues to use the word "agreement." In fact, there is no agreement, and there was never a signed agreement. There was never even an unsigned agreement on the revised Garrison Reformulation Act of 1986. The fact is that there was an intense lobby in this province with the Government very much involved and all parties involved to have this changed because we were very concerned about what was happening. When the Reformulation Act indeed took place, we were somewhat relieved that it was not going to be as disastrous on Manitoba as we previously thought. That does not constitute agreement, and an Act of Parliament or an Act of another province in the Legislature of another province does not constitute an agreement nor does an Act of the Congress in the House of Representatives constitute an agreement. I would ask the Minister to clarify that.

**Mr. Penner:** The previous administration, I indicated that they were supportive of a pipeline being constructed to supply the Cities of Fargo, North Dakota and the City of Grand Forks with a better supply of water. Mr. Mackling and also Mr. Uruski, in meeting with the authorities in the United States, indicated their support for the—

\* (1600)

**An Honourable Member:** Can we see that?

**Mr. Penner:** Yes, you can. They indicated their support for the construction of a pipeline that would in fact transfer water from the Garrison Basin into the Cheyenne River which would flow to the Cities of Fargo and Grand Forks.

**Mr. Plohan:** What strikes me is that what we have here is somewhat of a relief by Government and the people of Manitoba that there might be something happening that was a lesser of two evils, but certainly not support for transfer of water. If there was such an agreement, I would ask again the Minister to table such an agreement. Otherwise, I would ask him not to refer to the Reformulation Act or anything that it had to do with the revised Garrison as something that Manitoba was in any way promoting and, therefore, agreeing to. Really, we are only one voice against a very strong, powerful group that was undertaking something in the United States that would have, what we felt, very negative effects on Manitoba.

I want to just ask the Minister briefly as well why he chose to play down the recent developments on Garrison, the biota study that is now being undertaken by the Conservancy District in North Dakota. I want to point out to him that earlier this year, Mr. Bob Clarkson, who has been in charge of this issue or handling and leading this issue from Manitoba's point of view, from the Government's point of view over a number of years and I believe has done an excellent job in representing Manitoba's interest, had indicated some deep concern with the fact that this biota study was continuing and bringing it to my attention as Minister and the Deputy Minister's attention. He said the approval of the study is another indication of the Conservancy District's

commitment to continue its efforts to eventually obtain approval for the irrigation of lands within the Hudson Bay basin. He said that it is more and more important that we continue our thrust to ensure that the Sykestone Canal is built, rather than a reservoir such as the Lonetree Reservoir or the mid-Dakota Reservoir which has been proposed later. He said, "I believe that it is essential that an early decision is made as to whether or not we should seek to become involved in this biota study. Involvement at an early stage could ensure that we will have confidence in the results of the study or be in a position to identify its shortcomings. If we are not involved in the study, then I believe we must take action to ensure that we document shortcomings and ensure that we assemble all available data on this problem so that we can properly judge its recommendations and present a counterposition if necessary." He also said that the Fisheries Branch, from Fisheries and Oceans Canada, should be involved.

I had asked at the time the election was called, at the time almost coincidental that this issue was taking shape again, that the department prepare a Cabinet paper to deal with this and an action plan as to how we should deal with the biota studies. I said that the best initial action is to try to have the study abandoned. Failing that, obviously Manitoba's interest must be protected by being involved if we could not get it abandoned.

So I say that the Minister's staff have said over the last number of months when I was Minister—and I believe they would not have changed their position since this Minister has become involved—that there is reason to be concerned that the Conservancy District in North Dakota continues to want to have its way, regardless of what the Reformulation Act is and what the U.S. Congress and House of Representatives have said. So I ask the Minister, has he continued with that concern? He did not seem to indicate that.

He seemed to say that, really there was nothing to worry about, in the House when we asked the questions—that is what I got out of his statements—and nothing new, so to speak. I would like to ask him whether indeed he has followed up with that. Has he put in place representatives or asked for representation on the study teams so that Manitoba would be represented? Has he senior officials involved? What direction has he given those senior officials? These were all questions I asked in the House but were not answered.

I know that there is a representative from the university, the Dean of Science from the University of Manitoba. The Minister has clearly indicated that he was not involved in that appointment, and so I do not consider that person a representative of the Government. So I ask this Minister, what steps is he taking? I would come at this issue then from a completely different point of view than the Member previously in raising it that there is a great deal to be concerned about because the move is certainly there in North Dakota to continue to push this issue. Would the Minister agree with that and would he give us the action that he has taken?

**Mr. Penner:** We can spend a long time on this issue. As a matter of fact, we could spend the next two or

three days debating this Garrison issue. It will be an ongoing issue. I think the Honourable Member will concur that the province should maintain a vigilant eye as to what activities are, or will be, ongoing in North Dakota. I think it is also fair to assume that there will be groups in North Dakota continually advocating the expansion of the areas that are irrigable. Maybe even there might be at times approaches made to various authorities to allow even the flowing of water into areas that are not allowed now. For that reason, I think it might be of interest to the Honourable Member that we have maintained the services of Mr. Clarkson, because of his knowledge and his background and his expertise in this whole area.

We have also maintained the staffing, or retained a legal person in Washington, who will keep an eye on and make sure that any discussions that would lead us to believe that there might be an effort made to move water out of the Garrison Basin into the Red River Valley and into the Churchill Watershed Basin, we will keep track of. However, I am very willing to table in this Chamber or in the Legislature the document that indicates very clearly the support shown by the previous two Ministers of the previous Government, the support shown towards the construction of a pipeline to transfer water out of the Garrison and into the Red River and into the Churchill River Basin. That was not done by this administration, that was done by the previous administration. I am quite willing to table those documents if you want them.

I think it is also fair to say that we have continued, under my ministry, to give direction to my staff that would indicate very clearly that we maintain the vigilance that the Honourable Member for Dauphin (Mr. Plohman) is so concerned about now when he is not in power. I can also table, because the letter is dated November 22, the response to a query that you made when you were Minister as to what in fact was happening in the Garrison, and what would happen when and if other considerations were being made. That response we received just a few days ago. It is public information. If you want to have a look at it, you are certainly able to. I can read it into the record if you want me to, if you want to spend that amount of time.

**Mr. Plohman:** Just in conclusion, clearly there is no agreement. I would like the Minister to table any information that he has which shows support for what was being proposed, and what was in fact the action plan that the Reformulation Act called for. Surely, Manitoba's position would have been and I believe, in the proper context, would be that any support for anything that was different from our wholesale transfer of water for irrigation purposes into the Hudson Bay Basin would have been deemed to be looked pretty positive alongside of what was being proposed initially. But I would still like him to table any documents so that we can put this in context as to the kind of support that the Ministers that he mentioned were giving. I would ask him to table those documents and I, in the interest of time, will not debate it any further at this point.

\* (1610)

**Mr. Penner:** I think just for information and to set the record straight, I think it is important to note that in

a submission made by the previous administration to the Garrison Diversion Unit Commission by the Government of Manitoba dated September 11, 1984, in Bismarck, North Dakota, that the previous administration indicated very clearly, if water is needed in the cities of North Dakota within the Hudson Bay Basin that cannot be met in this manner, we would be prepared to consider the approval of development of a water treatment and delivery system which would treat water on the Missouri side of the Divide before delivering in a safe and satisfactory manner the water required to meet the supplementary needs of these cities. That was agreed to by Mr. Mackling and Mr. Uruski.

**An Honourable Member:** Is the lake water treated?

**Mr. Penner:** Certainly, it is treated. I never said that it was not treated. I have indicated very clearly that it was treated in such a manner that there would not be a biota transfer. Now let us once and for all get this issue straight. It was your administration that agreed to the transfer of water out of the Garrison. It was not ours.

**Mr. Chairman:** Order, please.

**Mr. Penner:** It is time that I think we deal with this issue.

**Some Honourable Members:** Oh, oh!

**Mr. Chairman:** Order, please.

**Mr. Penner:** I think the reference made to this Government and our willingness to consider the expansion of the Garrison that would allow water to be transferred to the Churchill Basin out of Garrison is simply not so. I want to make sure that the record shows that I have indicated very clearly to staff that my concerns are as great as the previous or maybe greater than the previous administration, because the previous administration was the administration that agreed to transferring water out of the Garrison Basin and into the Churchill Basin. It was not this Government, nor have we at any time or are we considering allowing further transfers of water to take place, whether treated or not, or agreeing to it.

**Mr. Plohman:** Mr. Chairman, clearly the Minister referred to a document that was written in 1984. The Reformulation Act took place in 1986, obviously successful in the lobbying efforts that were undertaken, perhaps put forward as a position to show that there was a reasonable approach being taken by the Government of Manitoba to get off of something that was of dire concern to Manitoba, treated water being much less of a concern obviously. The Minister keeps throwing out the matter of water but he does not make the distinction between treated water and untreated water for irrigation purposes. They are two different things completely.

The second thing is I asked this Minister, not accused him of not caring about the transfer of water. I asked

him whether he was going to, indeed what assurances he could give us—it is all in Hansard—during the Question Period, whether he was going to ensure that he had senior officials involved in those studies. The Minister still has not dealt with it. The fact is I think that would be a vigilant thing to do to ensure that Manitoba's interests are protected, and the Minister still has not dealt with that. That is part of the vigilance, not just having a lobbying effort in Washington and having Mr. Clarkson here, but having him involved or some other senior officials involved to ensure that these studies are in fact scientifically accurate and fair and unbiased. Of course that is very important for the Minister.

My last point is clearly that the Member talked about an agreement, which there was not, and he should not call it an agreement. There was nothing in a signature on any agreement on Garrison. There were some proposals made in 1984, as he referred to, to try and move them off an extreme position but there was no agreement. This is a Reformulation Act, an Act of Congress. The Minister should be apologizing to the House for leaving that incorrect and inaccurate reference on the record.

**Mr. Penner:** I would again refer to the document of September 11, 1984, in which the previous administration agreed to allowing water to be transferred out of the Garrison Basin into the Hudson Bay Basin. If in fact though that water would be running and the treatment facilities failed, there might be a chance that biota might be transferred to the Churchill Basin. Is that correct or not? Now I would like to ask the Honourable Member during his tenure in office as Minister of Natural Resources, in the last six months, what direction did he give to make sure that these kinds of concerns would be addressed on an ongoing basis. I believe there were none given. I would suggest that the impression that he leaves on the record is false and, therefore, I would submit to this committee that the actions taken under this administration have been nothing short of making sure that the quality of water that we receive in Manitoba will be of a better nature than what is currently coming across the border in the future.

**Mr. Chairman:** 11.(a)—pass; 11.(b) Garrison Diversion Opposition—pass; 11.(c) Conservation Districts Authority: (1) Salaries—pass; 11.(c)(2) Other Expenditures—pass; 11.(d) Habitat Enhancement Fund—pass; 11.(e) Natural Resource Institute Grant—pass.

Resolution No. 128: Resolved that there be granted to Her Majesty a sum not exceeding \$1,069,100 for Natural Resources, Resource Support Programs, for the fiscal year ending the 31st day of March 1989—pass.

12. Expenditures Related to Capital (a) Acquisition/Construction of Physical Assets: Northern Development Agreement—Provincial—pass; 12.(b) Acquisition/Construction of Physical Assets: Other Capital Projects—pass; 12.(c) Capital Grants—pass.

Resolution No. 129: Resolved that there be granted to Her Majesty a sum not exceeding \$10,066,400 for

Natural Resources, Expenditures Related to Capital, for the fiscal year ending the 31st day of March 1989—pass.

At this time, we will revert to item 1. Administration and Finance (a) Minister's Salary \$20,600—the Member for St. Norbert.

**Mr. Angus:** Mr. Chairperson, and through you, to the Minister, I would be appreciative of his comments and an update on the Shoal Lake controversy that has been raging for several years in terms of the Native development of housing units and the mining, and the Shoal Lake Accord that has been entered into between the two provinces and that type of thing. Thank you.

**Mr. Penner:** First of all, let me say that the City of Winnipeg draws, as you know, its water from the Shoal Lake area of Lake of the Woods Watershed and, because it is an interprovincial transfer of water, it comes under the International Joint Commission's jurisdiction, which was of course granted prior to 1920. The department, therefore, really has no jurisdiction there whatsoever. The Department of Natural Resources has no jurisdiction in that matter whatsoever under The Water Rights Act which is legislated under which most other allocations in this province are made. So we really in Natural Resources have absolutely no say in the water issues dealing with the City of Winnipeg, other than those that would be referred to the aquifer under the City of Winnipeg.

I would like to, however, respond to the question you posed earlier and that is "are we doing enough." I do not think that anybody would ever want to indicate, at least I would not want to indicate that we are ever going to be able to do enough to ensure that the quality of water and the quality of food that we consume in this province are safe enough.

For that reason, I guess the concerns that I have expressed from time to time that we ensure that the quality of water should be enhanced and actions in this province should be taken to enhance the qualities of water that we have access to, need a lot more attention, but you are aware, as I am aware, that budgetary limitations in this province, as in other provinces, are very often the key ingredient that is needed to make a final decision as to what actions can be taken.

\* (1620)

I guess the Department of Natural Resources has found itself in that sort of a position for far too many years, and I would hope that Members of your Party as well as Members of the New Democratic Party would be receptive and support initiatives that will increase the quality and not only the quality of water but the quantity of water that Manitobans have access to over the long period of time, and that we initiate projects that will guarantee those qualities on an ongoing basis, not just on a one-time study basis as some have indicated that we should be doing.

**Mr. Angus:** I assure the Minister that we at least in our Party would be more than willing to be as



cooperative as is necessary. We have to be allowed to have the information and we have to know what is going on in order to be able to have positive and constructive input, and unfortunately the process right now does not allow us to be privy to information such as the Shoal Lake Accord.

I know from the minutes that there are members from your department who sit in on that and are aware of it and follow the process and so, while I find it a cooperative gesture and a step in the right direction, it leaves unfortunately a number of questions unanswered. If the Minister is indicating that he is willing to share with our critic and other people who would be interested in information, I assure him that we would be most pleased to cooperate with him.

**Mr. Penner:** There are ongoing negotiations, as you know, in reference to the Rafferty-Alameda situation. We are still negotiating—let me finish that. There are still negotiations going on between North Dakota, Manitoba, Canada and the United States and Saskatchewan and until those negotiations are wrapped up there are some things that just have to remain confidential and will remain confidential, and I think you appreciate that.

There are, however, many other issues such as the Shoal Lake issue. If we have that kind of information that you require, certainly you can have access to that and we are quite willing to cooperate to give you the kind of information that you require.

**Mr. Herold Driedger (Niakwa):** I do not want to take much time. I just want to state just a small brief comment and I want to respond to what the Minister said about are we doing enough, and I felt that actually applied to what we are doing here in these Estimates. We are not really doing enough because essentially there is not enough time to examine all the areas that we wish to do because of time constraints, and I just want to actually be on the record that the next time that this department comes up for budget there will be areas that were not examined now that will be examined in much more detail that we have to gloss over now simply because of the pressure of time. There are areas that I wished to ask questions on, but I have to be out of here for the next department because there are other areas that have to also be questioned.

**Mr. Penner:** I would certainly welcome closer scrutiny of some areas that I think we have simply ignored in these budgetary Estimates debates, and I think it would be beneficial to the department. It would serve the department well and might even give us better visibility out in the countryside as to what Natural Resources really is all about. Therefore, I would certainly welcome a closer scrutiny and examination of the operations of the department.

**Mr. Taylor:** Can the Minister indicate to us the number of staff positions that have been cut since he assumed the role of Minister of Natural Resources? Secondly, were those permanent positions and are they permanently cut, or was it temporary staffing rearrangements? Thirdly, were each of those people

dealt with in the sense of finding other employment within the provincial Civil Service?

**Mr. Penner:** In numerous cases, they have been dealt with in the manner that you describe. No. 1, we put people on a list that can be transferred to other areas within the department, if that is possible. There are also ways and means, I suppose, of giving them a period of time and allowing them to look for employment elsewhere. That is being done.

I believe that the redeployment efforts made by our department are working quite well and in the best interests of most of the employees. We are not always able to, nor will we be able to satisfy everybody's concerns. That is one of the most difficult things not only for senior staff but also for myself to go to somebody and say, look, we have no need for you anymore. I suppose that is one of the most difficult things any management type of people face periodically, but I suppose we have to do them.

What I want to indicate to you is that every effort is being made to ensure those people who are now working for Natural Resources, where we have areas that we cut, are able to transfer into other job opportunities as they come along.

**Mr. Taylor:** I am glad to hear the Minister's comments. Does he have the number available of staff cuts and whether they were permanent, and has there been success in each of those cases where there have been positions cut from the establishment?

**Mr. Penner:** I do not have the exact number of staff people that we have transferred or have been put on the redeployment list at my fingertips. However, I can get them to you if you would like. Remember that we have somewhere in the neighborhood of 1,500 permanent staffpeople in the department and we employ roughly about that same number or probably even a bit more on a part-time basis during the summer months, which is the busy season. So we are a department that employs some fairly large numbers of people and to assist people to change jobs periodically is one of the things that I think our senior staff pays a lot of attention to.

**Mr. Taylor:** I accept the Minister's comment that he will table that with the two Opposition Parties after the Estimates as to numbers, whether they are permanent cuts and if the people have been successful in finding work within the Civil Service. Thank you.

**Mr. Harapiak:** I just want to make one short comment that has been stated before that there was not time to go into more detail of the department, but I think this department touches the lives of the citizens of Manitoba probably more on a daily basis than any other department that exists. So I think that it is unfortunate that we do not have the time to go through in more detail, and I just want to tell the Minister I appreciate his cooperation on items that I have brought to his attention. He always brings a common-sense approach to his job except for the area of the Rafferty-Alameda. He is not relenting on that one and I think that he

should reconsider that and relieve the fears of Manitobans who are concerned about the water quality and quantity. Outside of that area, I want to congratulate the Minister on the job he is doing in his department.

**Mr. Penner:** Harry, I appreciate very much the comments that you have made, and I want to indicate to all Members opposite that if there are concerns that you have and you bring them to me personally or to my staff, we will attempt to give you the kind of information that you require, unless it is of a confidential nature, and I think everybody understands that.

It is interesting to note though, Harry, that the people along the Souris River are very supportive of the initiative that has been taken by Saskatchewan and they are actually looking forward to Manitoba taking similar kinds of initiatives. I think we need to give serious consideration to constructing water retention projects in Manitoba.

\* (1630)

Again, I concur with you that when we do take initiatives such as are being taken in Saskatchewan that we need to assure people that we will not damage the environment, that we will in fact do the kinds of studies that are required to make sure that the projects that we build or enter into are of such a nature that they will enhance instead of deteriorate the quality of our surroundings and our ability to survive in the future.

**Mr. Chairman:** 1.(a) Minister's Salary—pass.

Resolution 118: Resolved that there be granted to Her Majesty a sum not exceeding \$4,812,700 for Natural Resources, Administration and Finance, for the fiscal year ending the 31st day of March, 1989—pass.

That concludes the Estimates for the Department of Natural Resources, and I would thank all Honourable Members for their cooperation.

## SUPPLY—ENERGY AND MINES

**The Acting Chairman (Mr. John Angus):** This section of Committee of Supply will be dealing with the Estimates of the Department of Energy and Mines. We will begin with a statement from the Honourable Minister responsible.

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Chairman, in discussing the statement with the Members of the Liberal Party and the New Democratic Party, we have agreed that I will ask that the opening statement be entered in Hansard as though it may have been read.

**The Acting Chairman (Mr. Angus):** We can certainly do that as far as I am concerned. Is it the will of the committee to accept that? (Agreed)

**Mr. Neufeld:** Mr. Chairman, I am pleased to present my department's Estimates for fiscal year 1988-89. I am pleased to do so because these Estimates represent, in part, this Government's commitment to the economic well-being of the people of Manitoba.

Throughout the review of this department's Estimates and those of the entire Government, it will be evident that we are committed to creating a climate within which Manitobans can build a competitive and diversified economy, an economy capable of sustained growth, an environment which encourages risk-taking and which rewards initiative.

Through prudent and effective management of the resources entrusted to us, my department will uphold its mandate, Mr. Chairman. That mandate is to manage this province's mineral and energy resources for the benefit of Manitobans, now, and in the future.

Our resources represent precious capital, capital which must be invested in such a way as to maximize returns to Manitobans; capital which, in the final analysis, we are borrowing from our children and theirs. I say this because many of the decisions we make not only affect us today, but will have an impact upon future generations.

Basically, Mr. Chairman, the mandate of the Department of Energy and Mines is one of stewardship. During the review of our Estimates, I will provide the committee with details as to how we shall meet our obligations. Today, I wish to talk about our objectives.

### Departmental Overview

The Department of Energy and Mines is a small department with a staffing complement of 206. As of September 1, 1988, the staff has been organized into two major program divisions: Minerals and Energy; and two smaller support divisions: Administrative Services, and Communications and Community Relations. For fiscal year 1988-89, I anticipate expenditures of approximately \$13.6 million.

While I anticipate no reduction in the level of service to Manitobans, no major spending increases are contained in these Estimates. The challenge my departmental staff has been offered is to streamline, eliminate any duplication, innovate, and live within its means. I am optimistic this challenge will be met.

A departmental reorganization reflects my optimism. Changes include placing the Petroleum Division in Energy and distributing the resources and functions of the former Policy, Planning and Project Development Division, within the Energy and Minerals Divisions. These changes will provide the department with a more effective structure, and thus result in more efficient use of resources and greater accountability.

### Minerals

There is, as well, cause for optimism in Manitoba's mining sector. This industry, which contributes about 4.5 percent of Manitoba's gross domestic product, can look forward to a brighter future. Late in 1987, increased world demand for copper and nickel almost doubled prices. Although metals prices have come down somewhat in the last quarter, they remain at profitable levels for Manitoba's mining companies.

While healthy markets have contributed to this positive outlook, much of the credit for Manitoba's healthy minerals sector has to go to the industry itself. Even though they have grappled with low prices and

low to non-existent profits throughout most of this decade, Manitoba's mining companies have emerged stronger through improvements in productivity and the lowering of operating costs, and thus are better positioned to take advantage of the opportunities that are now available. I am confident that Manitobans appreciate the ingenuity and perseverance shown by these companies, as well as the significant contribution they make to the economic well-being of the province and, especially, of northern Manitoba.

Nonetheless, Mr. Chairman, we need to look for ways and means to attract risk capital to the province to support further exploration and development of our mineral resource potential. One of the first initiatives I have taken is to set up a task force comprised of senior officials of my department and the industry to study and to recommend mechanisms which will improve the mining investment climate in this province.

#### Mineral Development Agreement

While the contribution of Manitoba's mining companies is significant, Government too has played its role in assisting the industry to become stronger. The Canada-Manitoba Mineral Development Agreement has been the Government's most important contribution to the health of the industry. This agreement expires at the end of the current fiscal year. We are negotiating with the federal Government to renew the agreement for a further five-year term.

#### New Mines Act

Also under way is a major review and revision of The Manitoba Mines Act. This review is being undertaken in consultation with the mining industry, and I anticipate that new legislation will be ready for introduction within two years.

#### Copper/Zinc Industry Modernization

The copper and zinc industry, Mr. Chairman, is one of the pillars of our northern economy. Directly, it employs 2,500 Manitobans, and many more are supported indirectly. To ensure this industry continues to play its leading role in Manitoba's North, a major modernization program is required at Hudson Bay Mining and Smelting in Flin Flon.

We are working with the company and the federal Government to develop a strategy for accomplishing this objective. I am hopeful that a comprehensive proposal will be developed within the next six months.

#### Potash

Work continues on the development of a major potash deposit in the Russell-Binscarth area. The province, in partnership with Canamax Resources Ltd., is negotiating long-term sales contracts and/or equity arrangements with companies in India, Korea and the United States.

While our objective is to open the world's next major potash mine, we are proceeding carefully. Within the next year, I am hopeful that I shall be able to tell you if this project will go ahead. Over the long term, I expect the degree of direct Government participation will diminish.

#### Energy

Mr. Chairman, energy occupies an important part of the Manitoba economy, and the effective management of energy is a major concern for my department. No other resource is as critical to the well-being of our citizens. It fuels our agricultural production, drives our industry, and heats our homes.

As a Government, we have a responsibility to create an environment in which energy resources are developed in concert with our needs and consumed wisely. It would be worthwhile, once again, to return to the theme of stewardship. As good stewards of our precious energy resources, my colleagues and I are committed to ensuring that Manitoba's abundant energy resources are conserved, developed and used to benefit current and future generations.

#### Established Energy Management Programs

Since 1980, Manitoba, in cooperation with the Government of Canada, has operated a number of successful bilateral energy agreements that have fostered the demonstration and development of many new energy initiatives and programs. It is Manitoba's intention to continue these cooperative initiatives and, to this end, we are currently discussing a new bilateral energy agreement under the federal Energy Efficient and Diversity Program.

The department will continue to provide such established energy conservation programs as the Home Chec-Up and Chec Loan Programs for homeowners, and the Manitoba Energy Audit Program and the Business/Community Chec Loan Program, both of which are designed to assist the industrial, commercial and institutional sectors.

#### Least-Cost Energy Study

Effective energy management, Mr. Chairman, makes good economic sense. Energy saved can be turned to other productive uses, or it can be sold, or it can be used to delay the construction of costly new capacity in, for example, our hydro-electric system.

It is not enough, therefore, merely to continue offering established energy management programs. We must seek always to improve. My department, in conjunction with Manitoba Hydro, is conducting a comprehensive study which will enable Government to do a better job of energy management.

In phase one, we will develop a model which will enable us to forecast Manitoba's energy needs more accurately. In phase two, we shall identify a range of scenarios for managing these energy requirements. The final phase will concentrate on development of comprehensive energy management programs which show the most promise for meeting Manitoba's energy needs cost-effectively. This is a major, multi-year project which will pay dividends for decades to come.

#### Energy Intensive Industries

But studies, even those as ambitious as the one I have just outlined, are not the only actions which are required to make the most effective use of our energy heritage. It is well known that Manitoba is self-sufficient

in hydro-electricity, that Manitoba's hydro-electric rates are among the lowest in North America, and that Manitoba Hydro is a well-managed, innovative utility.

Manitobans, therefore, enjoy advantages which, if effectively used, should contribute to industrialization, business opportunities and job creation. For this reason, we shall place a strong emphasis on attracting energy-intensive industries to Manitoba.

#### Petroleum

Mr. Chairman, Manitoba's petroleum industry occupies a relatively small but important part of the provincial economy. Last year, oil companies spent about \$82 million in Manitoba, creating just over 300 person years of employment. Royalties and taxes on oil production, sales of new leases, payments to surface owners, and municipal and other taxes generated over \$30 million for the provincial economy.

Petroleum, like many other industries, responds to world markets, and the 1986 plummet of world oil prices reduced the fortunes of Manitoba's oil patch. Although oil prices recovered somewhat during 1987, prices have again declined to the lowest levels in two years. While the number of new wells drilled in 1987 declined by 21 percent of the previous year, drilling in the first half of 1988 was 126 percent higher than for the same period in 1987. It is unlikely this level of activity can be sustained, unless there is a significant increase in the price of crude oil.

The role of Government, in my view, is to contribute to an environment in which this industry can grow. In tandem with the creation of a new Mines Act, my staff are also at work on another piece of new legislation, a Manitoba Oil and Gas Act. The Government's intention is to simplify current legislative requirements and to bring them into line with practices current in other provincial jurisdictions. I hope to introduce this new legislation during the 1989 Session of this House.

#### Manitoba Energy Authority

In recent years, the Manitoba Energy Authority has been funded out of authority provided in The Loan Act, 1984. The Government has been reviewing the province's overall financial position with the assistance of external consultants. That review recommended that the MEA's accumulated deficit, which had been deemed to be recoverable from the Manitoba Energy Foundation, be written off. The report also recommends that the Manitoba Energy Authority be funded out of a current account appropriation. We have acted on these recommendations, and MEA funding is now shown as a budgetary item under Appropriation 23-4, rather than financing by way of loan authority.

Committee Members should be advised that under The Manitoba Energy Authority Act, the Authority's Annual Report, which I have tabled in the House, is referred to the Standing Committee on Public Utilities and Natural Resources. I will, however, consider Members' questions under this item.

Mr. Chairman, to conclude my introductory remarks, I should like to express my sincere gratitude to the staff of Manitoba Energy and Mines for the cooperation,

efficiency, hard work and dedication I have witnessed since my appointment to the portfolio.

**The Acting Chairman (Mr. Angus):** We will now hear from the Honourable Member of the Opposition.

**Mr. Neufeld:** Can we get our staff up here now?

**The Acting Chairman (Mr. Angus):** We will have his opening statements.—(Interjection)—No opening statements? Opening statements waived from the third Party—oh, you have an opening statement.

**Mr. Herold Driedger (Niakwa):** Mr. Chairman, in the interests of the fact that there is a little bit of time pressure here, I do again wish to be on record as stating that there are several areas within this department that bear some closer scrutiny. In view of the fact that the next department under consideration is in the Chamber, at which I also need to go, I essentially will not have a chance to come back should this committee decide to meet again on Thursday, so consequently I want to make a few comments.

The Minister was kind enough to let me quickly peruse his opening statement and, in essence, it was essentially a progress report and it is very, very upbeat. There was one comment therein which I wish to just react to, which fits in with my own opening statements. The title of the Department of Energy and Mines actually focuses on the two aspects of the department, yet Energy although recognized and although the Minister does reference, I believe if you read Hansard, that Hydro comes in under this particular department. It seems though, when you take a look at the Estimates and take a look at the actual programs and the way that the division of responsibilities occur, we seem to have more of a fixation on the natural gas conservation aspect rather than on hydro itself.

One of the objectives of the Energy and Mines portfolio states that the Energy Department looks at policy for the development of energy in the Province of Manitoba; and with respect to Mines, it not only looks at policy but also develops legislation. I am finding it rather interesting that with respect to the hydro aspect of our energy component, it seems that we do not have, to my mind, sufficient departmental control through the Department of Energy and Mines. Now this is something that I can be corrected on later on if necessary, if my interpretation is incorrect, but it seems to me that the directives which apply to energy—natural gas—are not necessarily applied to hydro-electricity which is what I would expect in this department. I know we do examine Hydro in the Public Utilities Committee. We examined the Manitoba Energy Authority which is also an aspect of Energy and Mines. We also will, I understand later on, also examine Manitoba Mineral Resources, but as far as the actual policy with respect to what happens in this province with respect to our hydro resource from a political level and for the Estimates process is not really done through this department where I think it should be placed.

With that, I think I will simply defer to the Member for Flin Flon (Mr. Storie), if he wishes to make a comment. If not, then I suppose we can continue.

**The Acting Chairman (Mr. Angus):** The Member for Flin Flon waives his right to make an opening comment at this time and we should all applaud.

Traditionally, we have put the Minister's Salary to the end of the review process and we will follow that tradition at this time. We will ask the Minister to invite his staff to the table and begin the process of questioning.

1. Administration and Finance: Provides Executive Management, Financial, Human Resources, Computer Support and other central services. Provides for centralized coordination of the department's communication activities. (b) Executive Support: (1) Salaries—pass; 1.(b)(2) Other Expenditures—pass.

1.(c) Communication and Community Relations: (1) Salaries \$326,800—the Honourable Member for Flin Flon.

**Mr. Jerry Storie (Flin Flon):** Mr. Chairperson, a question on the Communications and Community Relations, the staff remains at 9.5. How many of those are cost shared under the Canada-Manitoba Mineral Development Agreement?

**Mr. Neufeld:** Two are shared.

**The Acting Chairman (Mr. Angus):** 1.(c)(1) Salaries—pass; 1.(c)(2) Other Expenditures—pass.

1.(d) Administrative Services: (1) Salaries—the Honourable Member for Niakwa.

**Mr. Herold Driedger (Niakwa):** Just one quick question, I am having difficulty focusing on the precise page that you are focusing on. I have got several pages here.

\* (1640)

**The Acting Chairman (Mr. Angus):** Page 67 in the main Estimates Book, page 9 in the Supplementary Book that has been passed out by the Minister's department, the summary. In the bottom, we have just done 1.(c) \$516,200 total.

1.(d) Administrative Services: (1) Salaries—pass; 1.(d)(2) Other Expenditures—pass.

2. Energy: Consists of activities pertaining to energy supply and demand, energy conservation, research and development in renewable and alternative energy sources and energy conservation techniques; and funding for the Manitoba Energy Council which reports to the Minister. (a) Policy Planning and Project Development: (1) Salaries—the Honourable Member for Niakwa.

**Mr. Herold Driedger:** Just taking a look at the Policy Planning and Project Development, essentially this area looks at the assessment of energy matters and defines energy needs and takes a look at gas regulatory aspects. All of these seem to focus in on, if you take a look at the identification on conservation, and it seems to me that further on down at the end of the Estimate

process, we are actually cutting out the grants to conservation programs. I was wondering if the Minister might be able to comment on this aspect. You have the planning here for Energy programs which seem to be set up for conservation. But when it actually comes down to later on to setting aside some funds for conservation programs, these are being eliminated or cut back drastically.

**Mr. Neufeld:** Where do you see the cutbacks to conservation services?

**Mr. Herold Driedger:** I am actually taking a look at having to move ahead to another line on another page, but the last item under Capital Grants, there is a reduction of Capital Expenditures due to decreased energy conservation programming. It is just simply a question here as if you are cutting back on programming. The emphasis in the department is still very much to stress conservation.

**Mr. Neufeld:** Those, Mr. Chairman, are for demonstration projects for which we do not have any projects of the kind for next year.

**The Acting Chairman (Mr. Angus):** Shall the item pass? The Honourable Member for Flin Flon.

**Mr. Storie:** Mr. Chairperson, one of the objectives of this Policy Planning and Project Development section is to participate in Government industry initiatives to mitigate problems facing single-industry communities with respect to cyclical and structural difficulties facing Manitoba's mining industry. One of the—

**The Acting Chairman (Mr. Angus):** Excuse me. Could the Member pull his mike a little closer so that the Hansard staff can hear him?

**Mr. Storie:** One of the first acts of the new Government was to, in the reintroduced Budget, eliminate the Mining Community Development Fund, which was exactly a vehicle to help mitigate problems facing single-industry towns. I am wondering whether the Minister has had an opportunity to rethink that particular initiative and whether it is likely that we will see that kind of initiative reintroduced in the next Budget, in the next cycle. Will the Minister be recommending such an option and, if not, what alternatives does the Minister foresee developing to address the problem that many single-industry towns face from their inception?

**Mr. Neufeld:** Mr. Chairman, we have not eliminated the Mining Economic Community Fund, the Reserve Fund. That fund is still available for use in single-industry towns up North.

**Mr. Storie:** Mr. Chairperson, the Minister did, through the Budget, eliminate the Mining Community Development Fund. The Mining Community Reserve Fund still exists, but the intention was, and the Budget directed that an additional 2 percent of mining tax be directed to a new expanded Mining Community Development Fund. It was a fund that could have, for example, been the province's bankroll for HBM&S, for

support for other kinds of exploration in mine development activity. They did do that. The Mining Community Reserve Fund is a much more limited tool and does not have the same kind of resources as the fund which I referenced. Does the Minister have an alternative? Is the Mining Community Reserve hit?

**Mr. Neufeld:** The Mining Community Development Fund, the 2 percent that the Member for Flin Flon (Mr. Storie) speaks of, was eliminated, that is true. The funds that would have ordinarily passed into that fund are now being used for other purposes, and we would have had to find those funds elsewhere if we had not brought them forward.

**The Acting Chairman (Mr. Angus):** 2.(a)(1) Salaries—pass; 2.(a)(2) Other Expenditures—pass; 2.(b) Provincial Energy programs: (1) Salaries—pass; 2.(b)(2) Other Expenditures—pass.

2.(c) Provincial Audit Programs: (1) Salaries—the Honourable Member for Niakwa.

**Mr. Herold Driedger:** Just a very quick question in here, and again I am referring to page 26 of the Supplementary Estimates. We talk about the Energy Conservation Loan Fund. Where is this examined? Who is eligible? Is it a loan, a grant? Is a repayment schedule applied with this? This is under the Energy Audit Program area.

**Mr. Neufeld:** Could you explain your question? We are not quite sure what you are driving at.

**Mr. Herold Driedger:** Again we are having difficulty with line items. Under item 2.(c) Provincial Audit Programs and under the Provincial Audit Programs, essentially it provides loans through Business and Community CHEC of up to \$32,000 at the Government's five-year borrowing rate etc., etc., and the funds are drawn from the Energy Conservation Loan Fund. Now, where is this loan fund examined? Who is eligible? Is it strict loan or grant or is there a repayment schedule? It may not necessarily be a line that you are on.

**Mr. Neufeld:** Yes, those are monies that are advanced for energy conservation programs and they are repayable and, if the Member likes, I can give him a summary or an analysis of the loans if he comes to my office.

**The Acting Chairman (Mr. Angus):** 2.(c)(1)—pass; 2.(c)(2)—pass; 2.(d)(1) Cut Home Energy Cost (CHEC): (1) Salaries—pass; 2.(d)(2) Other Expenditures—pass.

2.(e) Manitoba Energy Council—the Honourable Member for Niakwa.

**Mr. Herold Driedger:** Just a quick question again with respect to the council, how does this council operate? Is it individual people, volunteers? Is it a large group? Is it a small group or is it any group at all?

**Mr. Neufeld:** The council consists of approximately six members—seven members, I am told. They meet very infrequently and consequently we did not budget for any of their expenses for this year.

\* (1650)

**Mr. Herold Driedger:** It may be if energy knowledge and energy conservation and energy projects and policies require some further inputs, maybe at a saving of dollars to the Government by utilizing volunteer time, perhaps the model used by the Manitoba Environmental Council might be used by the Manitoba Energy and Mines Department in developing their own Manitoba Energy Council. With that, we will just simply pass on to the next item.

**The Acting Chairman (Mr. Angus):** 2.(e) Manitoba Energy Council—pass.

Resolution 55: Be it resolved that there be granted to Her Majesty a sum not exceeding \$3,806,000 for Energy and Mines, Energy, for the fiscal year ending the 31st day of March, 1988—pass.

3. Mineral Resources: Provides for the administration and management of the province's mineral resources, including the disposition of Crown mineral rights, the regulation of mining and quarrying operations and oil production, the rehabilitation of mining lands and the collection, compilation and dissemination of information on mineral resources. (a) Mineral Resources Administration: (1) Salaries—the Honourable Member for Niakwa.

**Mr. Herold Driedger:** Again, in attempting to facilitate the movement through these Estimates, it is a general question. To what extent do the outstanding Treaty land entitlements, the lands under conflict with respect to the Northern Flood Agreement and so forth, affect intensity of mining activity in the areas of northern Manitoba?

**Mr. Neufeld:** Those areas have been sealed off and there are no claims in those areas.

**Mr. Herold Driedger:** Are there some lands that have not been defined that have already been sealed off that are still sort of what you might call under "conflicting claim area"?

**Mr. Neufeld:** There are some areas that may have potential for mining, but we are not allowing any claims to be staked in there until such time as a settlement has been reached.

**Mr. Herold Driedger:** Just in general, the entire intensity of mining activity—we have a \$6 million or almost \$7 million item here. Is the intensity of mining activity that takes place in northern Manitoba governed by the size of this budget? That is, if there were more of this money in this line here, would there be greater mining activity?

**Mr. Neufeld:** There may possibly be an increased activity if there were more funds available, but we do not know what that is and we are not even sure if that is the case.

**Mr. Herold Driedger:** I just have to respond to that. I mean, what we are doing here is we are trying to determine essentially the function of the department

as to what its actual output might be. With your answer, I get the impression that the department does something a little bit different than the actual going out into the field and assisting with developing mines and developing claim areas and things of that nature.

**Mr. Neufeld:** The geological work that the department does is an important item and we probably do as much of the work as we think is needed. There may be other areas in which we might become involved but, to this point, we have not.

**The Acting Chairman (Mr. Angus):** 3.(a)(1) Salaries—pass; 3.(a)(2) Other Expenditures—pass; 3.(b) Petroleum: (1) Salaries—pass; 3.(b)(2) Other Expenditures—pass; 3.(c) Mines: (1) Salaries—pass; 3.(c)(2) Other Expenditures—pass.

3.(d) Geological Services: (1) Salaries \$2,032,400—the Honourable Member for Flin Flon.

**Mr. Storie:** The results of the latest geological survey, have they been released?

**Mr. Neufeld:** The release was made public about two weeks ago.

**The Acting Chairman (Mr. Angus):** 3.(d)(1) Salaries—pass; 3.(d)(2) Other Expenditures—pass.

3.(e) Canada-Manitoba Mineral Development Agreement (ERDA): (1) Salaries \$559,600—the Honourable Member for Flin Flon.

**Mr. Storie:** I wonder if the Minister could give us an update on the status of any negotiations that are taking place with the federal Government with respect to a new mineral development agreement?

**Mr. Neufeld:** We were in contact with the Minister of Mines before the election and we are in contact with officials at this point in time. We are hoping to arrive at another agreement very shortly. We are working on it and we are hopeful that we will arrive at an agreement.

**Mr. Storie:** The scope of the agreement would basically be the same? The province is prepared to commit roughly the same kind of dollars, accounting for inflation, as the previous agreement?

**Mr. Neufeld:** Our hope is that we will have a similar agreement to the one that just passed. Our hope is also that it would be the same sharing percentage as in the past.

\* (1700)

**Mr. Herold Driedger:** Just essentially on the same topic, particularly the Mineral Resources and the Geological Services areas of Energy and Mines are highly respected, and essentially for the department to actually end up continuing to develop and to carry out its work that it has been doing in the past, this particular agreement is necessary. I would encourage the Minister just to work hard at getting this thing solved because we need this for our own development.

**An Honourable Member:** That is a rhetorical question.

**Mr. Herold Driedger:** I know it is a rhetorical question, but that is the only kind of question because we have to pass everything.

**The Acting Chairman (Mr. Angus):** 3.(e)(1) Salaries—pass; 3.(e)(2) Other Expenditures—pass.

Resolution No. 56: Resolved that there be granted to Her Majesty a sum not exceeding \$6,735,000 for Energy and Mines, Mineral Resources, for the fiscal year ending the 31st day of March, 1988—pass.

4. Manitoba Energy Authority—pass.

Resolution No. 57: Resolved that there be granted to Her Majesty a sum not exceeding \$1,500,000 for Energy and Mines, Manitoba Energy Authority, for the fiscal year ending the 31st day of March, 1988—pass.

We will now revert to the Minister's Salary and thank his staff for an admirable presentation.

On the Minister's Salary, the Honourable Member for Flin Flon.

**Mr. Storie:** Unfortunately, we are not going to have time to review everything as carefully as we would like. I would just like to leave on the record a couple of concerns.

One is with respect to this Minister's desire to get himself more involved in important negotiations that are going on, on behalf of the province, in his department. Whether it be negotiations for Hydro export sales or whether it be for projects like the upgrading at HBM&S, that project has been delayed too long and the Minister is still only giving us weak assurances that they are working toward an agreement.

It is certainly my belief, and I think the belief of a lot of people in Flin Flon and the area, that had this Minister been more aggressive, more persistent in his attempts to get the federal Government to come to some agreement, to perhaps demonstrate some leadership by putting some money on the table, by leading negotiations, rather than following, we would have had an agreement.

The record so far of this Minister when it comes to negotiations, whether it is potash, energy-intensive industries, HBM&S, is not conducive to I guess a very healthy attitude on the part of those who are observing. I think this Minister needs to become a more active participant with the department and with industry if we are going to see some headway being made in this area. We will be watching closely whether there are actually any results from many of the projects that were left on the table.

**Mr. Herold Driedger:** Mr. Chairman, I too want to make just a few brief comments. Once again, I feel that we have done this department absolutely no justice by giving some of the line items such short shrift, but it is the exigency of time constraints that has forced us to do this. I wish to be on record that I will be looking at some areas of this department much more closely,

not only at the next Estimates time but also in between this date and the time of the next Estimates. I feel that there are several areas that have gone begging simply because of the fact that the questions just could not focus in on areas.

So what I would rather do is just mention a couple of points that I would like to sort of see this department engaging in. We have noticed that through the former Government which had the Jobs Fund which was utilized for northern job development, which now apparently is in the Education Estimates, also in Northern Affairs—it is also referenced to Manitoba Energy Authority—I think that some of these aspects whereby we can utilize some of the job creation through this particular department should be encouraged as well.

We need to also take a look at aspects of the development of energy-intensive industries and utilizing our own natural resource development with respect to our own resources, particularly with respect to energy. This, hopefully, we will be able to look at in some detail when we look at the actual Annual Reports of the Manitoba Energy Authority and Mineral Resources, and I definitely will not be letting myself be put under some pressure when we get to those particular times.

With that, I suppose, we can say pass.

**The Acting Chairman (Mr. Angus):** Gentlemen, it is Private Members' Hour that we are encroaching upon. By leave, I will give the Minister an opportunity to make some brief closing remarks and then we will pass the item.

**Mr. Neufeld:** Mr. Chairman, I want to assure both the Member for Flin Flon (Mr. Storie) and the Member for Niakwa (Mr. Herold Driedger) that should they wish to discuss any of the items, and I do also agree that it is unfortunate that more time was not available for discussing our Estimates, but I will assure them that they can come into my office at any time and discuss any of the items that obviously did not get the attention today that they should have.

I want to assure them also that the Government is continuing its negotiations where they are necessary and also encouraging industry to locate, to try to get them to locate in Manitoba. We have today—I made an announcement on Dow Corning, which may come to something and we have to wait and see, but it is an initiative that has at least started something.

I want to again assure the Members that it is not necessary to conclude negotiations in order to be successful in it. It is necessary to negotiate in the best interests of Manitobans and not necessarily to conclude an agreement.

With that, Mr. Chairman, I would like to thank you for your indulgence and, again, it is unfortunate that we did not have more time. That is all I will have to say.

**The Acting Chairman (Mr. Angus):** 1.(a) Minister's Salary—pass.

Resolution No. 54: Resolved that there be granted to Her Majesty a sum not exceeding \$1,548,000 for

Energy and Mines, Administration and Finance, for the fiscal year ending the 31st day of March, 1989—pass.

Thank you for your indulgence. This committee stands adjourned.

## SUPPLY—EXECUTIVE COUNCIL

**Mr. Chairman, Mark Minenko:** I would call the Committee of Supply to order, please. We are continuing to consider the Estimates of the Department of Executive Council.

**Hon. Gary Filmon (Premier):** I bring some information to the committee. I present it, one might say, more in sorrow than in anger, because my staff I think attempt to do an excellent job at all times and I think for the most part they do. From time to time, like anybody, there can be weaknesses, there can be errors, omissions, whatever have you, in the course of their carrying out of their duties. But I believe that we have a general rule that rather than raise issues in the Legislature in an attempt to embarrass or upset staff or people that we check the accuracy of the allegation that we make before we bring it.

With regret, I say that yesterday the Leader of the Opposition (Mrs. Carstairs)—and I know that she was making a point, and eventually we did get to the point of the staff in my office, the use of word processing, the availability of all of these things—alleged publicly that my office had not responded to a letter from MAUM, the Manitoba Association of Urban Municipalities, a letter that they had sent in September.

I would like to read the summary from the file folder that involves that piece of correspondence into the record.

September 16, 1988, Letter received from Rachelle Zimburg requesting meeting with the Premier in order to present brief on educational finance. Request sheet, with this meeting request, brought to the Premier on September 20 by Mrs. White. Action by Premier on this request was to inquire of Mr. Derkach's department any pertinent material; that is, Mrs. White was to prepare a brief on this group—meaning MAUM—and submit to the Premier before decision to meet with them was made. Brief was requested of Mr. Derkach on September 21 as per the Premier's request. Brief received from Mr. Derkach's department on September 27, given to the Premier the same day. Premier's action after reviewing brief: "Please set up for after Session." The request was for a meeting. The response was that we would set it up after Session.

October 19, Sandy Ogston confirmed with Rachelle Zimburg that they would send another letter requesting a meeting in February, as she—that is Ms. Zimburg—would be away until after January 22. My understanding was that this is a holiday she is taking, I believe, after Christmas that would last until January 22. This was done and explains receipt of letter, dated December 2 from Ms. Zimburg, requesting meeting with Premier some time in February 1989.

To our knowledge, there was no concern on the part of Ms. Zimburg that the Premier had not acknowledged



receipt of her correspondence or taken action regarding same. Mrs. White is in the process of resubmitting Ms. Zimburg's most recent letter, which is in complete accordance with the system in place and presents nothing that would contradict the Premier's previous action on the matter.

\* (1440)

I think it is regrettable, quite honestly, that the Leader of the Opposition (Mrs. Carstairs) would attempt to utilize this kind of thing to either shame or embarrass a member of my staff or me, for that matter or purpose. I, quite frankly, am offended at MAUM that they would use the Leader of the Opposition to raise this kind of issue with me instead of expressing a concern directly if they had one. I am satisfied that the matter was properly handled. It confirms all the things, certainly my participation in the effort, and I am going to write to MAUM and request their apology for having had this matter raised in this manner in the Legislature. Thank you, Mr. Chairman.

**Mrs. Sharon Carstairs (Leader of the Opposition):**

The letter which I received a copy of, to Mr. Filmon, dated December 2, 1988, which I am sure he has received a copy since the original went to him, certainly it gave me the implication that they had been unable to reach that meeting, and if I am incorrect in that, I apologize to the First Minister, his staff and indeed to MAUM.

Some questions that I would like to ask, first of all, has the First Minister (Mr. Filmon) got the list of staffing for us today which we requested yesterday?

**Mr. Filmon:** Yes. Mr. Chairman, I wonder if it is sufficient to give a copy for each of the Leaders of the other Parties.

**Mrs. Carstairs:** Just with regard to the rules, does the Premier have any difficulty if we go through all of the sections so that we can then transfer it over to the Leader of the New Democratic Party (Mr. Doer) for the purposes of speeding up the process?

**Mr. Filmon:** That is quite accepted.

**Mrs. Carstairs:** Thank you, Mr. Chairman. I would like to ask some questions about the International Development Program. Does the First Minister have a list of agencies that will be in receipt of the \$436,700.00?

**Mr. Filmon:** Just by way of discussion, Mr. Chairman, this is the Manitoba Council for International Cooperation, who receive an annual grant from the provincial Government to carry out projects that involve overseas aid, in effect, a small indication of Manitoba's commitment to foreign aid which is of course principally the responsibility of the federal Government. But like other provinces, it has been the case since somewhere in the early Seventies that an amount of money that I believe started out as a percentage of the overall budget was allocated by the Executive Council to overseas aid to various projects. MCIC is the vehicle by which decisions are made as to how those funds

are allocated. We have correspondence with them and discussions with them periodically throughout the year. After we have indicated the amount in the budget, the projects are recommended to us or essentially approved on our behalf by MCIC and they correspond with us, giving us information about those projects. They also give us periodic reports on the conduct of those projects, and what they have accomplished and what they do.

We did meet—I met, along with a number of other Ministers, with MCIC and I am guessing at this point, but it was about three months ago at which we had a meeting with a number of their representatives on their board. They brought us up to date on the past year's activities. We had some correspondence with them vis-a-vis our concerns that Jamaica was an area of need at the present time, as were several other areas in the world that are suffering disasters.

We have had a recent update, I believe, in which they informed us as of October 25 of some of the allocations that they have made. If I may quote from the letter that was written to the Clerk of the Executive Council: "MCIC Board of Directors met on October 20 to consider applications forwarded to them by the Overseas Projects Committee of MCIC for the Manitoba Government's allocation of \$50,000 for emergency relief aid. Three projects were approved for a total of \$50,000: No. 1, Canadian Lutheran World Relief Bangladesh Flood Emergency \$18,300; UNICEF Bangladesh oral rehydration salts production for \$12,500; Eritrean Relief Association, Eritrea Emergency Relief Aid for \$19,200.00. Those are the three most recent ones that have been allocated since and there is a description of the project attached.

Perhaps if the Member is interested, we could send this across with a description of the specific projects that will come out of the global funding provided by the Government of Manitoba.

**Mrs. Carstairs:** As the Premier (Mr. Filmon) well knows, we have a very special international organization in the Province of Manitoba. It is called Disabled People's International. It is the only such international body which we know of at least to exist in Winnipeg. Because it is international, it does not qualify for funding through the normal Lotteries provision because those fundings, of course, are to be given to projects which focus here on Manitoba. Has there been any consideration given as to proposing to MCIC that this body be in some way funded from this particular program so that this international organization which is, as I say, unique and which does indeed serve the handicapped people of the world and is centered in Winnipeg could get some of the core funding they require?

**Mr. Filmon:** To begin with, I will stress that we do not provide any core funding to MCIC. Our money goes directly to projects, and they are basically projects that are provided by other delivery agencies. For instance, the Mennonite Central Committee is often a deliverer of the overseas aid project. So MCIC is a collection of charitable groups, primarily church based, who themselves seek out projects overseas that they want to contribute to. They generally provide the greatest

portion of the funding for the project, and they take up the need with some of the Manitoba money that they get from the Government of Manitoba. So we are not funding MCIC on a core basis.

I might say that the whole operation of Disabled Persons International is being looked at by our Government to see whether or not there is a case for us providing funding. I believe that the Minister of Community Services (Mrs. Oleson) met with them within the past week, or certainly within the past month. I am not certain whether the issue was core funding or whether the issue was project funding. Vis-a-vis project funding, we have also set up a dialogue between them and MCIC to see whether or not they could fit in some way within the umbrella of MCIC's overseas project development and support.

\* (1450)

**Mrs. Carstairs:** There was one other area and then I will pass on to you. The French Languages Services Secretariat, I am sure the Premier (Mr. Filmon) knows, he met with D'Iberville Fortier, the Commissioner for Languages in Canada. I met with him, and I assume that the Leader of the Third Party (Mr. Doer) met with him as well. He expressed to me at that time his delight at the fact that progress seemed to be being made in the French language services development in the Province of Manitoba. Can the Premier tell us today just what plans and what staged plans are in place for the French language services in the Province of Manitoba? When can we expect to see more French language services available within the Province of Manitoba?

**Mr. Filmon:** The Government is carrying out the initiatives that were begun under the former administration in terms of a French Language Services Implementation Plan that had been drafted by the former administration, had been discussed at some length, I believe, with the Government Employees' Association and the Civil Service Commission and the Société Franco-Manitobaine. Together, they had identified areas within the public service that in their judgment required French language services. They involved some that are required and some that are preferred. There was a whole series, number of positions, identified.

Interestingly enough, I believe we are at a stage where, by virtue of incumbents having been selected with that in mind—that is, that they are going to be serving in an area of need for French language services—I believe we have filled something in the range of half the positions already, just through the normal process of being aware in the hiring of a need for French language services.

For instance, I just recently met with people who were interested in—the multicultural, I believe, report refers to French language services in immigrant settlement and employment services to immigrants and so on because of our attraction of people from Cambodia and other countries in which one of their major tongues is French and that they often come here

with French rather than English. So it is more appropriate for Immigrant Settlement Services to be provided in that.

In looking at the positions that they had identified in that multicultural report, the ones that they had identified were already filled with an incumbent who was bilingual and capable of providing the services in French. By that process, we believe over a period of time we will fulfill the requirements for language services without disruption in the Civil Service and without having to displace current civil servants who do not meet the test of bilingualism, rather doing it on a basis of placing people in openings as they occur and as they meet the needs that have been set out in the implementation plan. We think it is progressing very, very well. I described that process in my discussions with Mr. Fortier. I think he was encouraged by our commitment to carry through the plan.

**Mrs. Carstairs:** A year ago, it was indicated that there were some 500 bilingual employees in the provincial Civil Service. Can the Premier tell us how many there are today?

**Mr. Filmon:** I am informed that the figure of approximately 500 was press speculation last year and that it was not an accurate figure. We do have more, there has been an increase. I could not give you exact figures. On the other hand, I could also say that, aside from positions in which there is not a requirement for bilingual service, there is no way of identifying whether or not we have bilingual staff. Indeed, we do have bilingual staff who are not filling bilingual requirement positions. They choose not to identify themselves. We have no reason to ask them to identify themselves, because it was not a requirement of their job so it does not show up in terms of our numbers.

Having said all of that, the figure that we are looking for of people who are in identified bilingual positions is 321. There is reason to believe that there are a couple hundred more than that who are working in other positions in the Civil Service that are not designated bilingual.

**Mrs. Carstairs:** With a final question, can the First Minister (Mr. Filmon) tell us what training programs are available to members of the Civil Service to help them become bilingual in the Province of Manitoba?

**Mr. Filmon:** There is no structured training program throughout the Civil Service in Manitoba. It is provided on an as-required basis. If people choose, for the purposes of filling a position that is either bilingual preferred or bilingual required, they can then choose to go to College St. Boniface or one of the other institutions that provides French language training at the cost of the Government.

**Mr. Gary Doer (Leader of the Second Opposition):** I asked a number of questions last evening. I only have one remaining question and just a couple of comments.

Can the First Minister advise us, perhaps I have missed it, but has he opened the Ottawa office yet for

the province that he promised in the Speech from the Throne? Did I miss that announcement? I try to follow them, Mr. Chairman, but I do not know if I missed that one or not.

**Mr. Filmon:** I realize that we have been making so many announcements that the Leader of the New Democratic Party (Mr. Doer) would have difficulty keeping up with them all. That is indeed another one of our unfulfilled promises but I believe, Mr. Chairman, that one has to have a few unfulfilled promises and a few unfulfilled expectations to give us something to look forward to and, as I indicated earlier, quite honestly the Throne Speech is a blueprint for a year's action. The election promises are a blueprint for a term's action. We do have much yet to do, much yet to accomplish, many positive things that will be of long-term benefit to the people of Manitoba. We have a very strong vision for all of those things that we want to accomplish here in Manitoba and, unfortunately, and I say this with the greatest of respect for the democratic process, when our time is consumed in being in this Legislature and preparing for Question Period and all of those matters, it is very, very difficult for my Ministers and I to take the time to implement those many positive programs and policies that we are committed to.

**Mr. Doer:** Mr. Chairman, I can understand the First Minister's comments about preparing for the Session when the Minister of the Environment (Mr. Connery) has acknowledged that it takes him four hours to get ready every day for Question Period. So, I can understand the very great deal of concern on behalf of the First Minister on being in this terrible Chamber in terms of answering questions to the people.

Just to follow that up, Mr. Chairman, in light of his commitment last night on the tendering process, and I say this with all seriousness, will that appointment be to the Ottawa office of the Manitoba Government be a Civil Service competition and be filled by a non-partisan person on behalf of the province?

\* (1500)

**Mr. Filmon:** I want to reiterate, I do not find this a terrible Chamber. This is the most exciting place that I am in every day of my life, that I am in the Legislature. That may say something about the excitement in my life, Mr. Chairman, but on second thought you better not send a copy of Hansard to my wife. The fact of the matter is I find it invigorating. I find it challenging, and I would never, ever deny the opportunity for those opposite to have this forum and this opportunity. I am the strongest proponent of the democratic process that you would find in this Chamber and, believe me, I will come here as often as the Opposition want to have us come here and be glad to respond to their questions every day. I would suggest that, Mr. Chairman, they spend as much time in preparing and digging up questions—well, not all of them, because some of them do their research by reading the morning paper, but that they spend as much time in getting ready for Question Period as we do in getting ready to answer their questions. So I am sure that it is an equal trade-off.

Mr. Chairman, getting to the question of the Ottawa office and who might fit that position, that is an area, and I will be absolutely honest with the Leader of the Opposition (Mr. Doer), in which it may be difficult to do it by a straight competitive basis. I recall when they filled the position in the office of Brussels, I believe, with Anna Maria Magnifico, it was a question of her husband having a job in that area. She was somebody who I think had worked for the Civil Service and had some qualities that would fit her for that position, and it was a marriage of convenience with her being available to go there. So it was not, strictly speaking, the way in which you would do a normal competition for the job unless you made it a requirement that they had to be from Manitoba and going to Brussels and this sort of thing.

The fact of the matter is that when we look for somebody to go to the Ottawa office, we are going to have to find a Manitoban who, or somebody who is very, very familiar with business development and the economy and captains of industry, so to speak, in Manitoba who also wants to be in Ottawa for an assignment. It may have to be somebody who is there because of family, or spousal relationship, or any other numbers of things.

Look, we will take the responsibility for the decision, we will take your criticism if you feel that we have made our decision based on politics rather than competence or any of those things, and we are prepared to stand by the decision that we make.

We have not made any decision. We have not even thought about the process by which we will hire an individual. We would like to get on with that job, and I would suggest that is something that before the next Session starts we will probably have accomplished and might make good material for Question Period.

**Mr. Doer:** I would point out that I think there are times when the Government should hire in obviously the Premier's Office. I would say that partisan appointments are appropriate to carry out the message and the role of Government in the direct Premier's Office. There are other functions of the Premier's Office that are beyond partisan politics, in my opinion.

The intergovernmental affairs in Manitoba has had a tradition, a tremendous tradition, notwithstanding Governments under various Premiers, under various Governments, has had a tremendous tradition in terms of their ability and their competence to deal with all kinds of Ministers of Finance and all kinds of Premiers on the very important issues and give us policy options.

I would hope, and I will put this on the record, that this be a position that is chosen on the basis of merit and ability to deal with Governments because Governments in Ottawa will come and go, Governments in Manitoba will come and go, Governments in other provinces will come and go, and I think it is very important that this be the kind of position that is a non-partisan choice, as opposed to the partisan positions that are appropriate in certain areas in the Premier's Office, and I certainly would not be critical of those.

I would just like to make some brief comments to conclude on the Premier's Estimates. Again, I think he is running a lean operation, which has been the tradition in Manitoba in the Premier's Office, and I say that with all sincerity. It is, as I say, the tradition in this province in that particular office. I am glad you have a new word processor. I think the former Premier used to delegate all his letters out to all of us and we would send them back. They were word processed by one step removed.

I think we have a lot of work to do in the Premier's Office and the responsibility of the Premier. I know he has made speeches on interprovincial trade and free trade in this country. I do not believe we have the political will right now in this country to have free trade across the provinces. I think that is tragic.

I believe, and I stated it to the Premier of Quebec, to have free trade with him articulating a free trade position with New Jersey and not to have free trade with Manitoba, I think is totally unfair and un-Canadian and a disgrace in terms of trading patterns in this country. Again, all Parties support freer trade in this country, and I would hope the First Minister (Mr. Filmon) can get beyond the "we desire" stage in the communique to some facts.

I would hope that at minimum, with the strong stand of the pro-U.S. trade with the western provinces, at least some of the barriers in the western provinces can be removed. Certainly, there should be no partisan impediment. There are like philosophical grounds there. We know that Manitoba firms cannot bid into Saskatchewan and Alberta, many contracts. I think we have a freer environment in Manitoba than other provinces, but I would hope that at least in western Canada we can achieve some success.

I was disappointed with today's revelations on the lack of tendering for a \$100,000 contract in the Native Urban Strategy. I think it is, quite frankly, a disgrace. I know he has to defend his Ministers publicly, but I hope the First Minister looks at cancelling that contract and going through with the fair tendering process. He told us last evening in the Estimate process that the Stevenson-Kellogg process was not able to be tendered due to the time constraint. We agreed to disagree last evening, but surely, he cannot use time as the factor in the awarding of this contract with the Minister of Northern Affairs (Mr. Downey). I believe the Minister of Northern and Native Affairs has to be reined in by the Premier. I believe that contract should be cancelled and, that way, the Premier can keep faith with the people of Manitoba in that area.

The Premier, as Chair of Treasury Board, has major challenges ahead in the financial side. The Minister of Finance (Mr. Manness) has stated that he wants to keep spending at inflation for 1989-90. The spending levels are higher in his Government than our Government, and certainly he has a lot of challenge in his Budget process. We will have to see how it manifests itself as the Estimates go through the department.

We are disappointed that the Health Care Advisory Task Force has not been established. It was a task force that was promised in the election. It was a task force that was promised in the Speech from the Throne.

It was a task force that has been promised by the Minister of Health (Mr. Orchard) to answer all kinds of questions on capital construction. I would urge the First Minister (Mr. Filmon) to review the promises in the Ministry of Health. I believe that there are certain capital programs going ahead and there are certain capital programs not going ahead. To me, that is contrary to the promise made by the First Minister and contrary necessarily to the priorities of this province in health care.

I am also very concerned in the reduction in the prevention budget in the health care side, both in the budget and in emphasis. We are going to continue to monitor the Home Care system, which we believe is in jeopardy right now in some parts of it, notwithstanding the percentage increase in that budget.

I really believe that we should spend money for outreach workers for AIDS. It is good economics because it will cost us \$30 million to \$50 million later dealing with the AIDS problem in our health care system, and it is basic human services to a population that will be greatly at risk and does not even understand the beginnings of the risk. That is the transient kids. So I would ask the First Minister (Mr. Filmon) to take that to heart. Look at the Hansard from last week and review that because I think it is good economics and good health care in terms of moving in that area.

We have raised lots of questions on the environment and they really speak for themselves, with the First Minister. I have got other departments to go through. I mentioned yesterday the time management and getting legislation. Many of the controversial Bills that I looked through and the Speech from the Throne that were promised, a two-page Bill on labour-repealing legislation, I do not believe should be tabled at the alleged last moment of a Session. I believe that those should be tabled in sufficient time to have the public debate. We agree to disagree. That is the democratic process, I respect that. But I think we should have the time to disagree on areas that are predictable for disagreement.

\* (1510)

Finally, with the Premier and as many responsibilities that he has, and I wish him well with his responsibilities, it is a very tough job and it is not made any easier by the fact that we are in a minority Government with Opposition Parties that are clamouring for attention on issues that they obviously care very much about.

It is a tough job to be Premier (Mr. Filmon). I am very concerned about the fact that every month since the Budget has been tabled, the employment statistics have been off, the targets had not been met. I would urge the Premier to work on behalf of all Manitobans, as I know he is attempting to do, to have an employment strategy in place to deal with the miss of the targets that have taken place to date, the targets and the Budget of 7.5 percent. He has been off every month since they have been in office.

I am really worried with going into a potential North American recession. I hope it does not happen with the U.S. economy. I am very worried with the drought

that is certainly not the fault of the First Minister and the other activities. So I would urge him to have a strategy to deal with these issues that he (a) has some control over, and (b) some issues that he does not have control over to have the best thought-out policies as possible. With that, Mr. Chairman, that concludes our remarks on the stewardship and the responsibilities of the Premier and wish him well moving into 1989.

**Mr. Filmon:** I appreciate the tone that the Leader of the New Democratic Party (Mr. Doer) has taken. I say to both him and to the Leader of the Liberal Party that I regret that I responded perhaps a little too aggressively yesterday at the beginning of my Estimates in terms of the discourse that we had between ourselves. I might say that I tend to get a little emotional about my convictions and my commitment to the responsibilities that we have. I will try and continue to complete the dialogue with respect to my Estimates in the manner that it should be done, on a very high plane.

I want to just indicate in addressing a couple of the points that the Leader of the New Democratic Party put forward, yes, I agree with him that we do have a very competent and dedicated staff of people in a number of key areas that come under the responsibility of the Premier, who have served this province through many, many administrations. The Leader of the New Democratic Party referred to Mr. Jim Eldridge. I think he was probably blushing a bit, but Mr. Eldridge has served in this province since the Lyon years and has served loyally and well, regardless of the administration of the day, and is indeed very knowledgeable.

I might say, having met in the course of my 10 years in this House most of his staff along the way, they have served, most of them, through the Schreyer years and through the Lyon years and through the Pawley years and so on. It is an area that we have not touched in terms of the entire staff complement and they continue to perform, as I say, with great competence and great loyalty to this province, as opposed to any individual in this province.

I might say that the individual who is sitting to my right, in charge of Language Services in this province is somebody who has served through three administration now and continues to serve loyally and very competently and doing the job that must be done in his area.

I would say to the Leader of the New Democratic Party (Mr. Doer) that I have selected my staff with a view to ensuring that, although they are indeed loyal, capable, that they are people who I know deal politely with all people of all Parties and all different political persuasions in this province, in the manner in which they carry out their responsibility, that the Premier's Office, despite the fact that it may be seen as the office of the head of Government to be the most partisan, I believe that they conduct themselves vis-a-vis the Liberal Party and the New Democratic Party in this Chamber in a way in which they do their utmost to assist and not in any way as just simply a partisan arm of Government. I will try and ensure that it is kept that way.

Yes indeed, we run a frugal small "c" conservative operation as much as possible, and I guess that must

go with the territory of previous Premiers. I think I have shared the story in the past of how our Ministers eventually got their mobile phones in the Lyon administration, because the then Premier, Mr. Lyon, refused to allow anybody to have the extravagance of a mobile phone in their car. Then somebody was off the road in a snowdrift one evening half-way between here and Portage la Prairie and saw the really very great need in terms of security for those of our Ministers who travel throughout the province on a regular basis to be able to be in touch.

I say to you, having had the very brief opportunity of visiting with Premiers throughout the country—and I do not say this in order to ask for more for myself because indeed I would not think of doing that. In this province, partly because of our history and partly because of the sensitivity we have of public opinion, we do not engage in the kinds of extravagant spending that are available—and the Deputy Leader of the Opposition has indicated it is true for all of us, and that is true. All you need to do is compare the salary levels of every single equivalent position as Members of the Legislature or as Cabinet, or as Leaders of Parties, etc., and you know that we rank, if not the lowest, second lowest in the country, and that is something that maybe some of us, in a non-partisan way, some other time may want to discuss.

I was asked, curiously, when I was in Ottawa a week ago this past weekend for the Grey Cup, by one Mr. Jack Matheson, how much it was costing the taxpayer to have me attend the Grey Cup. I gave him a response that was not confrontative because I did not choose to make the arguments, but oddly enough, I can say to you that it cost the Government of Ontario a great deal more than it cost the people of Manitoba to have me attend the Grey Cup because, first and foremost, most of my expenses were paid for by the CFL who provided accommodation and meals. I was picked up at the airport by two OPP with a car who stayed with me 15 hours a day for the two and a half days that I was there. Their costs were far in excess of the one cost to the taxpayer of Manitoba, which was my airfare to go to Ottawa.

That is a courtesy, I might say, that Mr. Peterson provides for all visiting Premiers. Indeed, perhaps he provides it for visiting Leaders of the Opposition, I am not sure. That is the kind of thing that they routinely do and insist on. He was flabbergasted at the fact that not only do I not have a driver in Manitoba nor do I have any sort of security or any of those kinds of things. I said, "David I do not make enemies." Enough said.

I accept very strongly the urgings of the Leader of the NDP (Mr. Doer) on health promotion. I have a very strong commitment to that, and we are working on a number of different program areas. I believe that the real future challenge of our health care needs in the country are going to be to stem the problems that are caused by self-inflicted means, whether they be obesity, whether they be smoking, alcohol or drug abuse, substance abuse, all of those kinds of things, a lack of exercise and the unhealthy lifestyle that people bring upon themselves as opposed to the kinds of things that are normal hereditary nature. I believe that we

have a very strong role to play and we will continue to pursue that.

\* (1520)

On terms of interprovincial trade, it is an area that the Member knows I spoke on when I was in Vancouver. I will be taking that message across the country because I believe, just as was said by the Member for Concordia (Mr. Doer), that we cannot say that we are committed to free trade with our American neighbors and friends and not be committed to free trade amongst the provinces of Canada. It just does not make sense. It is downright foolish, and it is harmful to all of our best interests but, in particular, it is to Manitoba's best interest.

Finally, on the issue of the \$100,000 contract, on the Native Urban Strategy, there are areas in which the requirement for consulting—and consulting services are not necessarily the kind of thing that can always be done by a tender basis when you are looking to hire people who provide certain skills, knowledge and expertise. In this particular case, we are looking for a very high degree of Native content in the strategy that is going to be developed. We think that Native people should be involved on a consulting basis. In this particular case, the firm does involve Native staff and does involve a high degree of Native content going into the policy recommendations. It is indeed a policy development approach that we have on this consulting contract.

Where there are things that are routinely done by management consultants, by accountants, by lawyers, by advertising specialist, those things perhaps can be done by tender easily. But where you are asking for a personal services kind of consulting effort in which you have a desire to have particular input and, in this case, by Native people to the process, then I think that there is a—well, Mr. Chairman, with the greatest of respect, the former Member for Rupertsland, Harvey Bostrom, was carried on by the Pawley administration for a period of a number of years on contractual basis where he was doing consulting work for them. Now I do not have a great deal of difficulty with that. Ultimately, he was put into a permanent position without competition by them. You know, they had some desire to have his input because he was a person of Native background, of aboriginal background, and so on. I was not one who raised that issue to any great degree because of their desire to have his involvement in resources, policy and other areas of policy that do involve Native people.

So, I say to the Leader of the New Democratic Party (Mr. Doer) that I recognize what he is saying in that respect. I have given him my point of view on some of the justification for the contract that was issued by the Minister of Native Affairs (Mr. Downey) and I am sure, again, this is an area that we will have to agree to disagree.

**Mr. Chairman:** 1.(b) Management and Administration: (1) Salaries—pass; 1.(b)(2)—pass; 1.(c) Intergovernment Relations Secretariat: (1) Salaries—pass; 1.(c)(2) Other Expenditures—pass; 1.(d) Government Hospitality—pass; 1.(e) International Development Program—pass;

1.(f) French Language Services Secretariat: (1) Salaries—pass; 1.(f)(2) Other Expenditures—pass; 2. Severance and Vacation Pay—pass.

Resolution No. 6: Resolved that there be granted to Her Majesty a sum not exceeding \$386,400 for Executive Council, Severance and Vacation Pay, for the fiscal year ending the 31st day of March, 1989—pass.

After asking the staff to perhaps withdraw, we can consider item 1.(a) Premier and President of the Council's Salary.

1.(a) Premier and President of the Council's Salary—pass.

Resolution No. 5: Resolved that there be granted to Her Majesty a sum not exceeding \$2,907,800 for Executive Council, General Administration, for the fiscal year ending the 31st day of March, 1989—pass.

## SUPPLY—EMPLOYMENT SERVICES AND ECONOMIC SECURITY

**The Acting Chairman (Mr. Helmut Pankratz):** The committee will please come to order. This section of the Committee of Supply will be dealing with the Estimates of the Department of Employment Services and Economic Security. Let us begin with a statement from the Honourable Minister responsible.

**Hon. Charlotte Oleson (Minister of Employment Services and Economic Security):** Mr. Acting Chairman, it is my privilege today to present the 1988-89 Estimates for Manitoba Employment Services and Economic Security for consideration by Members.

(Mr. Chairman, Mark Minenko, in the Chair.)

Mr. Chairman, I would like to begin my remarks by thanking my staff, who will be joining me shortly, for all the long hours of work that they have done in preparing for these Estimates and, before these are even debated in the House, in preparing for next year's Estimates. Of course, as they are now in the preparation of the third budget in a year, it takes a lot of work. I do thank them for that and for their help to me, as a new Minister learning the ropes, as it were. I do appreciate the dedication and the work they have put into it.

Employment Services and Economic Security links labour market programs, including training, with social assistance and income supplement measures. The department has four main components: the Economic Security Division, the Employment Services Division, the Manitoba Bureau of Statistics, and Administration and Finance. Also included within the budget appropriation of this department is funding provision for the Advisory Council on the Status of Women and the Women's Directorate.

The Economic Security Division's main functions are to maintain and supplement incomes for Manitobans in financial need while at the same time promoting financial independence of social assistance recipients by developing linkages with employment and training programs and other support services.

The Employment Services Division provides the focus for this province's labour force management activities, aimed at improving workers' skills and productivity, promoting employment growth, removing structural barriers to employment and developing to the fullest the employment potential of all Manitobans.

Administration and Finance provides the central administrative services for this department, while the Manitoba Bureau of Statistics serves as the central statistical agency for provincial departments and agencies of Government.

Total expenditure proposed for Manitoba Employment Services and Economic Security for 1988-89 is \$266,565,400 or approximately \$17 million more than was authorized for the previous year. The increase provides additional funds for the provincial social allowances and municipal assistance programs to cover cost increases associated with caseload growth and with rate increases.

Additional salary funds have also been provided to cover the cost of normal salary merit increments and the general salary increases as called for under the existing MGEA Agreement. As well, an additional \$1.4 million has been allocated to expand skills training to enhance social assistance recipients' employability.

This increase reflects this Government's commitment to maintain and improve the province's social assistance programs. As a further indication of this Government's commitment to Manitoba's social programs, I would like to note that I will be shortly undertaking discussions with municipalities to arrive at a cooperative approach to improve the province's system of delivering social assistance.

Mr. Chairman, I refer Manitoba Employment Services and Economic Security's 1988-89 Spending Estimates to your committee and look forward to the Members' comments, questions and contributions. Thank you.

**Mr. Bob Rose (St. Vital):** Mr. Chairman, being that time is certainly short and much shorter than we would like to analyze this department, I will keep my remarks brief. Fortunately, as a new MLA, there were many questions I have had and many concerns. I have approached the Minister on several occasions in regard to them and I want to thank her, the Honourable Minister and her staff for the large degree of cooperation they have shown towards me in that respect. It has been very helpful to me and I am sure that in the Estimates process it will be helpful to us all. I want to acknowledge that at this time.

\* (1540)

Something like advertising, I realize this Minister's department is really hard to get a yardstick as to what the accomplishments are. Some of them are hidden and, when you see a program in effect and indeed unemployment rises, it does not mean that your programs have not had any effect because it may have stemmed the tide of further unemployment. So it is a very difficult thing to measure. I realize that this Minister took over a department that did not have, in my estimation and I am sure she would agree, too much

accountability. There was, in my estimation, a lack of monitoring, and certainly I take that into account in my approach to the Minister and approach to this department, and certainly in approach to my questioning and the answers that we will get.

She has a herculean task ahead of her. She may have made some progress and I hope she has, but there is still a lot of work to do because, in my respect and the inquiries I get from the public, there is a lot of work to be done to service the public and to make these programs effective. I wish her well in that task, and indeed she can count on my cooperation as long as it is a two-way street.

I want to, at some time—and I will probably do it privately as a yardstick. One program I was interested in and I think it was a Careerstart program, if I am not mistaken, that was for youngsters and I do not think it is in effect right now. But that to me was an example of a program. I got deeply involved in it and I never was able to understand the reason for this program. It did not seem to be effective; it was a waste of taxpayers' money at the time. This was a couple of years ago. It was an odd thing that when I really got inquisitive about it and started asking directly questions of the Minister, the program was withdrawn. That is sort of a reference that I would like to look at. I would say that whereas we will just give a tertiary look at the Estimates this time that in the next Estimates we will be looking at in much deeper detail at all the items. Thank you.

**Mr. Chairman:** As is the custom, 1.(a) shall be deferred. 1.(b) Executive Support: (1) Salaries—pass.

The Minister would like to call in her staff?

**Mrs. Oleson:** I wonder if I could introduce the staff to you before we begin. We have Deputy Minister Roxey Freedman and we have Wes Henderson, Martin Billinkoff and Gerry Bosma.

**Mr. Chairman:** 1.(b)(2) Other Expenditures—pass.

1.(c) Research and Planning: (1) Salaries—the Honourable Member for Osborne.

**Mr. Reg Alcock (Osborne):** I just have a couple of questions here and it relates to an item that came up over the last few months. It is about the ability of children of income security recipients to work and to acquire income. These are children in full-time attendance at school. I think the Minister will remember the item. It was referenced in the paper and there was some discussion of it in the House. I would just like to get an idea if there is still a problem with that and, if so, what steps can be taken to correct it.

**Mrs. Oleson:** Mr. Chairman, I am just wondering from the Member—I do not mind answering that question because my reply to that particular item is that we are looking at that actively and considering some redress there. Through the Chairman to the Member, are you intending to go to different sections of the Estimates, because it is rather difficult with staff, particularly in the Chamber, coming in and out of the Chamber? It

is a little easier in the committee room because they can be quite close at hand. I have not got my Economic Security staff with me right now. We are under Administration and Finance. So I seek your advice as to how you would want to propose to go ahead with the Estimates. I may find it difficult to bring staff back and forth easily.

**Mr. Alcock:** I am prepared to defer it if you would like, although I would assume that the staff of Research and Planning and the Deputy Minister would be able—I am not looking for the drafted amendment at this point or the new regulation. I am just—

**Mrs. Oleson:** Well, that is fine. We can proceed unless there is something the other staff would maybe answer.

**Mr. Alcock:** I would like to better understand why there is a problem in the first place. I did not understand it in the case referenced, given that it was a child in full-time attendance at school who was earning income baby sitting and, yet, that very desired kind of activity on his part resulted in impacting on the income of the entire family. I did not understand why that occurred, what it is in our regulations that makes that happen.

**Mrs. Oleson:** Mr. Chairman, that is policy that has been in place for a long time. As I had indicated before, we are looking at that with a view, hopefully, to change it. When we look at social assistance, we have to look at the income of the family and I guess that is what was considered, but we are looking at that.

**Mr. Alcock:** Can we anticipate amendments coming forward in the next Session?

**Mrs. Oleson:** That is as definite as I can be about it.

**Mr. Rose:** I just had one question. I hope this is the appropriate place. I wonder what plans, if any, acknowledging that there are some areas in our economy—and I know that is presumptuous perhaps, but it should be or would appear to be that there would be some areas in our economy that will be somewhat hurt by new trade arrangements with the United States. What planning ahead has been done to take care of these contingencies and reassign or redirect the work force of those areas? I am not pinpointing any particular industry, but I think that the Minister would agree that there may indeed be some, and we had best have some forward planning rather than having it hit us in the face all of a sudden.

**Mrs. Oleson:** As the Member will be aware in the Employment Services section of this department, there are programs that are already in place to assist people with job training and with acquiring jobs. If there was a problem emerged, it would not be too difficult, of course—and then with the will of the federal Government to assist. They have indicated over the term, I believe, even when the Free Trade Agreement was being debated or formulated, they indicated there was a will on the part of the federal Government to help to address any employment glitches, shall we say, that took place as a result of free trade. So with that

commitment from the federal Government combined with the fact that we already have job training and various employment programs in place that, should they be needed, could be beefed up, changed to respond.

• (1550)

Of course, that is the way these programs operate anyway. They respond to a need. I sometimes wonder if people in their discussions of free trade—and they are raising the issue about job displacements and so forth—if they think they would wake up the morning after the agreement comes in force and see a massive number of people on the streets displaced by jobs. The Member should be aware, and I am sure he is, that any things that take place will be of a gradual nature and we would be able to respond to them when it becomes necessary.

**Mr. Chairman:** Administration and Finance, Research and Planning: Item 1.(c)(1) Salaries—pass.

Item 1.(c)(2) Other Expenditures—the Honourable Member for Osborne.

**Mr. Alcock:** I have another question, and perhaps the Minister can guide me as to whether or not this is the appropriate place, given we are talking about Research and Planning now. Is there an impact on the Income Security caseloads, given the increase in the unemployment that we have seen in the province in the last few months? Have the caseloads of Income Security officers gone up also?

**Mrs. Oleson:** There has been a gradual increase over the past year, in fact years. There has been a gradual increase in social assistance recipients but nothing dramatic in this past year.

**Mr. Alcock:** It has often been suggested that there is sort of an interrelationship between employment and income security. Have there been studies done by the department that identify such a relationship and, if so, could they be made available?

**Mrs. Oleson:** No, there is no study as such, but it has been noted that, for instance, with the recession of the Eighties across the country, it brought a gradual increase. It caused an increase in social assistance, with municipalities, for instance, if there is a recession. The drought this year may very well have caused increases in the municipal caseloads as well.

**Mr. Alcock:** Has the Minister had the time to study the recommendations that were presented to the previous Government about moving to a one-tier system in social assistance, and might we see some action on this part in this year?

**Mrs. Oleson:** Yes, I have taken the opportunity to look at that program and others and I have, as I indicated in my opening remarks and I have indicated on other occasions, undertaken to meet with the Union of Municipalities, Manitoba Urban Association, first of all, as a start with the Municipal Advisory Group to initiate discussions on better delivery of social assistance. I



think perhaps one time I had given an undertaking to do that this fall, but this fall is waning into Christmas and I do not think we will get to that in this calendar year.

I hope to do that soon after the Session ends, to undertake discussions and get input from those groups and, of course, others may wish to comment as well as to how best we can together deliver a service.

**Mr. Alcock:** I would ask whether or not the Minister would give leave for the critic from the third Party to make a brief opening statement when he returns?

**Mrs. Oleson:** Certainly, in the spirit of cooperation.

**Mr. Alcock:** It is always nice to work with a Minister who has so much experience in Estimates. I am interested in the role of the Research and Planning Division in the department and what sort of work it does, if not to conduct studies on the conditions that impact on the department.

**Mrs. Oleson:** Mr. Chairman, I can give the Member an overview of the sort of activities of this branch: departmental planning; design implementation and coordination of departmental planning processes; policy analysis; preparation of notes, analysis and recommendations in response to various submissions or reports in support of policy formulation and federal-provincial negotiations—also included is support for the annual Estimates review and monthly ministerial briefings and analysis of labour force survey information—program analysis and assessment; monitoring federal programs and policies; economic and labour market analysis, which is review and analysis of various economic indicators and forecasts; conditions and trends in the labour market and occupational outlook. Also, there is research, development of information to support program planning and policy analysis in the area of training, employment income security and social policy, and employment measures for social assistance recipients.

**Mr. Alcock:** Just one final question on this, it is my experience that this department is very competently administered and has a great deal of very competent staff, most of them stolen from Community Services, as I recall.

One of the programs that the department has operated is the Employment Services New Careers Program, which is one that I remember with great fondness and is a very good program and has proved very positive results in the few times I have been involved with it. But are there studies that the Research and Planning Division has done that identify any kind of relationship between the moving people who have been on assistance off of assistance and any subsequent decrease or trending towards decreases in income security caseloads?

**Mrs. Oleson:** There has been analysis done on the effect of programs within the department as to follow-up for a period of time on people who take part in the programs to see if they are still employed and if they

are in the same jobs and so forth. I notice by my note here, it even indicates, some of them, what wages they have achieved. Programs connected with what we call a diversion fund, which is part of the Job Strategy monies, it was discovered that 61 percent of the participants were employed and 18 percent were participating in further training or education after the program, totalling what they call an impact rate of 79 percent. That means total people who were benefitting by the (interjection) Either you or your colleague, I believe it was your colleague, the critic said in his opening remarks, some of these things are very difficult to measure.

What would have happened if you had not had the program is a very difficult thing to measure, but we do try to measure and see why—follow-up for a brief period of time at least. It would take too many resources to follow them up very long. We do follow for some time to see where those people are, if they are indeed working. That of course with the employment programs is the goal of the programs, to get people off social assistance or out of the unemployment rolls and working on a job.

**Mr. Alcock:** The Prime Minister, Mr. Mulroney, has been fond of quoting the McDonald Commission in its recommendations around free trade. The McDonald Commission also spoke about guaranteed annual income and income support programs of that nature. Have there been discussions with the federal Government about moving in the direction of a guaranteed annual income program?

**Mrs. Oleson:** There were no recent discussions on that. I know that I personally have not discussed that with Ministers.

\* (1600)

**Mr. Alcock:** Another model that was used in some of the federal discussions in the last 18 months or so has been the concept of a negative income tax. Has that been discussed with the provinces or put on the federal-provincial table?

**Mrs. Oleson:** No, just in the context of general tax reform.

**Mr. Leonard Evans (Brandon East):** I, first of all, apologize for not being here at the opening of the Estimates. I had been waiting earlier but seeing that the Executive Council, Premier's Estimates were going on and on and on—at any rate, I appreciate the opportunity to make a brief statement at this time.

I know we have, by agreement of Parties in the House, a limited amount of time. As a matter of fact, I had been under the impression that we would never get to this department based on the rate we were going with the other departments. In fact, if we had not agreed on this arrangement, I guess we still would not have gotten into Employment Services and Economic Security. It is an important department and, if I recall correctly, it is probably the third-largest spending department in Government after Health and Education.

I think the department fulfills a very great purpose in this province, and has as an ultimate goal to maximize the employment, to minimize unemployment, and to tie in as much as possible with people who are disadvantaged, people who are unfortunately required to go on welfare, required to go on social allowance, and to do whatever we could to identify these people, to help them, to train them, and to give them work if possible in a very positive, liberal way, and to thereby reduce those on economic security, reduce those on welfare, and to provide more jobs.

Now that is an ideal. Basically, the department has that as its mandate. Having said that, I must confess that I am disappointed in what has been happening the last few months under this administration. In terms of unemployment, there is no question that the unemployment has worsened in the province. We wish it would not, we wish it had not. But no matter which way you slice the pie or cut up the cake, the fact is that unemployment has worsened, and the irony of it is, the disturbing part of it is the national unemployment figures have gotten better and at the same time the Manitoba figures have deteriorated.

So we are going in an opposite direction. I could see that if the entire country was worsening in terms of levels of unemployment and if we were going along with the mainstream, but that is not the case. The national scene has been improving and, in the meantime, the Manitoba scene has deteriorated.

We could quote a lot of figures but looking at Manitoba, and I will not do this at length at all, but just refreshing everyone's memory, in actual terms, the rate of unemployment a year ago in November of '87 was 6.8 percent. Today, November '88, it is 7.5 percent, a much more serious situation than we had a year ago and, as I said, about the same time the Canadian rates have gone in the opposite direction.

I have all the numbers here. I guess I will not quote them all. We could refer to the latest report put out by the department in the Bureau of Statistics, which has been distributed. Oh yes, here it is.

For Canada, a year ago it was 7.8 percent; today, it is down to 7.5 percent, a slight improvement but nevertheless an improvement. Similarly, if you look at the seasonally adjusted figures, about a year ago, 7.2 percent; today, 7.9 percent. Canada, a year ago, November, '87; they were reporting seasonally adjusted figures at 8.2 percent, and in November '88 it was being reported at 7.8 percent.

So while we have this information showing that more people than ever—well then, for a long time—have been unemployed in the province, the figures of actual number of unemployed, 37,000 people a year ago—this is unadjusted estimates—today, 40,000. This is November of '88.

Apart from these figures, there are other signs of economic weakness in the provincial economy. Whether you are looking at housing starts or whether you look at retail trade, whether you look at the rate of labour income increase or whatever, there are other signs that indicate some weakness. It would seem to me that it

would be a responsibility of the Government through this department to take some steps to offset this to the degree that Government can. I would be the first to admit or to say, as I have always said, that it is not just what Government does. We are living in a mixed society, a mixed economy and certainly it is decisions made in the private sector, decisions made in Ottawa. Certainly, we are affected by international economic forces as well.

But to the extent that we can, my view and our Party's view, the Government should take direct action to confront the problem head-on, and that is why we are very keen on direct job training and job creation programs. I repeat, these are not make-work programs. These are programs that are real, that are in the private and non-profit sector whereby we provide some subsidies to encourage the private sector, to encourage the non-profit sector to hire people.

To that extent, I am disappointed that the Minister, and maybe she can tell us subsequently whether there is going to be a substitute for the Job Training for Tomorrow Program. This was a major \$10 million program that put thousands of Manitobans to work, trained people, helped disadvantaged people in the process, very positively received in the community. We have had a review of it; we know it is a very effective type of program. To my knowledge, this program has been terminated as of June 30. No further applications have been accepted. I do not know of anything that has been proposed to replace it. If not, I think it is sad. I am not too encouraged by a replacement, based on the statements made by the Premier (Mr. Filmon), who is rather critical of these direct job training programs, and I say that is unfortunate.

Also, I am unhappy that the Government has decided to terminate the grants to the Unemployed Help Centres, both in Winnipeg and Brandon. Both of these centres have played a positive role in helping unemployed people find work and giving them some advice and counselling and also, more specifically, in helping them deal and cope with the Unemployment Insurance Commission. I think there are figures available showing that both of the centres have succeeded to a large extent in helping people obtain U.I. payments that they would not get otherwise.

I remind the Minister that Manitoba is a net contributor to the Unemployment Insurance fund in Canada. We pay and we have done this for years. Manitoba employees and employers pay more into the Unemployment Insurance fund than we take out. I am not criticizing or complaining but I am observing that. We are doing our share towards the Unemployment Insurance fund. I think it is incumbent upon us to help our unemployed people who are having difficulty with the Unemployment Insurance Commission, to help them in any which way possible. As I say, there has been a degree of success where we have shown, or those centres have shown, have demonstrated through their records that there are monies being received by unemployed workers that would not have been received without their assistance.

So I think that is important and I, for the life of me, do not accept and understand the Minister's position

on this, that it is a federal responsibility. Of course U.I. is federal, but you could argue a lot of things are federal responsibilities in the field of employment as well, and other areas, but the fact is that there is a joint responsibility and I think there is a role for the province to play. The Minister is certainly not making any friends among people in the labour movement or among working people when they read in the paper about a withdrawal of support for these centres.

The other area is in Economic Security. Again, I want to take this opportunity to express our disappointment with the rate of social allowance increase. I have heard the Minister's explanation that they have used the previous method of cutting off, as of August, as to what the rate of inflation is, and that is the basis of her adjustment this year. I say that is just not acceptable, Mr. Chairman, particularly when we have more recent evidence of inflation escalating. In fact, it is escalating very rapidly. What is happening right now, in October, the rate of inflation was 5.7 percent. A year to date it was 4.2 percent. I think the trend is for more inflation and probably we will end up the year perhaps closer to 5 percent. I really do not know.

But I say at this point in time, what we are doing is short-changing the poorest people among us. There are 23,000 people on social allowances in Manitoba, or 23,000 cases, individuals and families. What we are doing by giving them less than the real amount of inflation that is being experienced in Manitoba, we are effectively cutting down their purchasing power. We are effectively making them poor. We are hitting the poorest in this province and I think that is unconscionable.

\* (1610)

I think that I would like to see the Government be a little more magnanimous about this, review the situation and make an adjustment. I also point out that last year not only did we provide a 5.3 percent increase, which was certainly higher than the rate of inflation from January to August—January to August inflation last year was 4.5 percent, 1987 over 1986. We provided an increase of 5.3 percent. The fact is, in addition, we provided \$1 million for school supplies and clothing in August and September. This was not provided by this Government.

Regardless, and I know we announced it as a one-time grant, but it was my intention to come back, to go to Cabinet and repeat that, and maybe increase it in the following year. At any rate, I think there is something wrong here when we cannot provide the poorest among us with at least something equivalent to real inflation. Since we got this news of the rate increase, in the meantime, we hear about other increases that are taking place, particularly the price of milk which is going up by more than 4 percent a litre at the retail level.

So there is a lot more that we could say but I wanted to take this opportunity to put on record our major concerns with this department. I know there are a lot of good things going on, various programs are being carried on, but there are changes under this Government and I think they are changes for the worst.

**Mrs. Oleson:** I understood the Member was going to give a brief opening statement, but he got a little carried away there with his selective recalls. The Member was talking about direct action, and says there is no direct action with regard to jobs. I would remind the Member that the job training programs, the employment programs that are in place now were in place when he was in Government. He has a selective memory and says that there was a \$10 million program to job training, when his own press release of November 6, 1987, indicates that very program was \$8.4 million. So perhaps he had better brush up a little on his numbers because, when you were talking about \$10 million and \$8.4 million, there is a difference there.

I would also indicate to the Member that we have taken direct action with \$1.4 million in addressing job needs of social assistance recipients, announced that program not too long ago. With regard to economic measures, he himself mentioned it will not be only this department in Government that works on economic measures. Our Government is repealing some of the payroll tax, which was one of the things that caused a lot of companies to have very grave thoughts about hiring extra staff because it would only contribute to their expenses with the payroll tax.

The Member talks about the Unemployed Help Centres and how I am not making any friends by removing the funding from those. Those agencies can still carry on if they are important to the people who want them there. They can seek funding from elsewhere. Perhaps some of the people who have written to me—most of the people who have written to me concerned about it have belonged to the unions. Perhaps they could ask their union if they would make contributions to those organizations. If I were just in this office to make friends, well, really that is not the purpose of a Minister. A Minister is to administer the department and not only be there to make friends. Sometimes decisions have to be made which some people do not like and I appreciate that, but these decisions—as the Member should well know, having been the Minister of this not too long ago, there are decisions that have to be made that are not popular. They are not easy decisions to make, but they have to be made in the context of reality.

The Member insists on talking about the recently-announced rate increases for social allowances which will commence on the 1st of January, 1989, in a very negative manner, and talks about hitting the poor. The Member should realize, he should recall that over the years the method for arriving at the rate of increase for social assistance is taken over a period of between January and August every year. There are two rates that are calculated. One is of the necessities, food and so forth, the necessities of life. One figure is arrived at for that. The other is the figure of CPI.

Over the years, there have been different rates allocated for social assistance increases. This year, the approved increase was 3.9 percent, which reflected the overall CPI. We looked at it and the figure that came up from the necessities' side, specific indices, was 3.3 percent. We felt that we could have gone with that figure because of the necessities, the things that social

assistance recipients need for their daily lives. We could have gone with that figure, but we chose to go with the higher figure, at 3.9 percent.

Last year, the Minister was faced with the same sort of decision. The increase for specific indices last year happened to be higher, it was 5.3 percent. The overall was 4.5 percent. He made his decision much like mine to go with the higher amount. It is as simple as that. Over the years, however, he did not go with that sort of a decision every year.

In 1984, he chose to go with the specific indices. When the CPI was 7.5 percent, he chose the figure of 3 percent which was the specific indices. In 1985, he chose 2 percent when the overall was 3.8 percent and, in 1986, he chose 2.8 percent when the overall was 4 percent. So these things Ministers look at and they choose. The rate of inflation this year, the overall CPI, was 3.9 percent. We went with that figure.

(The Acting Chairman, Mr. Richard Kozak, in the Chair.)

It is the same sort of a decision, and method of arriving at a decision, that has been in common practice over the years with this department. That increase of 3.9 percent represents an increase to the social assistance recipients of Manitoba, an increase of \$4 million. The Member should be aware of that, having been the Minister, that a rate increase of that size causes an expenditure of that magnitude—\$4 million.

The Member should also be aware that is not the only part of the picture. There is also the shelter allowance which is looked at every year in relationship with the rate increases authorized by the Rentalsman. Those rent increases are looked at in that light. Starting in January, that will cause an increase of \$3 million, when we adjust rents on a per person basis relative to how much rent they are paying.

Here we are having spent \$7 million, and the Member is standing up and saying we are hitting the poor. Well, I really have to take issue with that, because nobody is saying that we are overspending on the social allowances. I am sure all of us would like to give more increases, but to somehow get up and say that this Government is hitting the poor and we do not care about the poor and of people on social assistance is totally and absolutely ridiculous.

**The Acting Chairman (Mr. Kozak):** Item 1.(c)(2)—the Honourable Member for Ellice.

\* (1620)

**Ms. Avis Gray (Ellice):** In the area of Research and Planning, I am wondering if the Research and Planning Branch has had any opportunities to do any data collection or studies in regards to the housing requirements for people who are on social assistance. It has certainly been obvious throughout the last number of five and six years that various organizations, who advocate on behalf of individuals on social assistance, have raised the issue that we spend millions of dollars in social assistance to provide housing that is very inadequate and can be described at best sometimes as decrepit.

I am wondering if Research and Planning has done any studies in regard to the quality and level of housing that is available for social assistance recipients, given the limited amount of income. Have there been any studies, and is perhaps that a priority with this department to look at that, given that certainly that issue has been raised by a number of advocacy groups?

**The Acting Chairman (Mr. Kozak):** This is in Economic Security.

**Mrs. Oleson:** Just a moment there, I went on the wrong page. Yes, there have been comparisons made and studies done on that shelter issue. The comparison of the program of shelter allowances with Rent Regulation Bureau's data indicated that, on average, 30 percent of the rental units in Manitoba are within the social allowance rental guidelines. A comparison with Manitoba Mortgage and Housing Corporation data shows the recipients have access to approximately 19 percent of rental units. It should be noted the CMHC data have limitations and they are available only for Winnipeg and buildings of six or more units. That is the information that we were able to discover, is that social assistance recipients do have access to about 30 percent of the market.

**Ms. Gray:** Perhaps the Minister could clarify. I believe she indicated that 30 percent of the rental units were within the rental guidelines. Is she then indicating that 70 percent of the units are not? What does that mean?

**Mrs. Oleson:** What it means is there is a guideline for social assistance, what our department will pay social assistance recipients for rent. There has to be a guideline, an upper limit, of what we will pay. What I am saying is that 30 percent of the housing market is within those guidelines. So those recipients have access to about 30 percent of the market.

**Ms. Gray:** Can the Minister indicate, have there been studies done in regard to this 30 percent of the market, in terms of the market being satisfactory in regard to other guidelines such as health and safety issues? Can the Minister indicate if any work has been done in this area in regard to the health, safety issues, the amount of space per individual? Can she comment on that?

**Mrs. Oleson:** All the rental units are under the regulations of the City of Winnipeg. We do not have any separate regulations or regulating rental accommodation nor do we inspect rental accommodations. That is not part of our role.

**Ms. Gray:** Although the City of Winnipeg may have some jurisdiction in regard to health inspection and cleanliness, safety, etc., of various rental units, certainly the provincial Government, because they give social allowance benefits, must feel they have a responsibility to pay for housing and include that in the allowance, pay for housing that is acceptable in regard to safety standards. The questions that have been raised time and time again by advocacy groups are that with the allowances for shelter that it is sometimes very difficult to obtain housing or rental accommodation that can

be considered safe, that can be considered clean, and that can be considered to be what you and I in this House would consider as acceptable to live in.

Could the Minister comment on that? Have there been any studies done or has this issue been looked at? I do feel it is the responsibility of the provincial Government and it should not be passed on to the City of Winnipeg.

**Mrs. Oleson:** I do not think the Member intends to, but I think she is asking this department to really get into the personal lives of where people live, tell them where they should rent, and inspect the premises for cleanliness. I think that is not the role of this department. We want people to be as responsible for their own lives as possible. They choose where they live. We do not go out and say, you will live here and you will live here. As I had indicated, they do have access to 30 percent of the market.

I am not saying that those are palaces. I am saying they have access to that amount of the market. There is a vacancy rate which, I believe, is about 3 percent right now, and I think perhaps the vacancy rate is going up. So there may be more choice through that avenue. But they have access to the same market, rental accommodation, as the working poor. I am not going to get into the business of telling people where they should live.

**Ms. Gray:** Certainly, the Minister is trying to deflect the question I asked in regard to housing. If she wants to talk about the working poor, certainly that is a whole other issue in regard to their status and their situation, which we will not get into at this time in the Estimates. Perhaps then I will ask another question.

Could the Minister indicate to me, have advocacy groups made representation to herself or her department in regard to a major concern that the social allowance amounts that are allowed for shelter are inadequate in the sense it is very difficult to obtain suitable accommodation for individuals? Have there been representations in the past to her senior staff or to the Minister herself?

**Mrs. Oleson:** Yes, I have had discussions with MAPO, for instance, on that subject and others. I do sympathize but, as I indicated before in my remarks to the Member for Brandon East (Mr. Leonard Evans), the rental—or maybe it was in answer to your question. I am not sure where it was, but anyway, I did mention that the rent guidelines are looked at every year and adjusted to do with the rate increases allowed by the Rentalsman.

As I have said before, it may not be the most wonderful accommodation, but we have to have some guideline in our regulations within the department as to what we will pay. Some people choose to rent beyond those guidelines and then find some other means of paying for them, so there are some people who do live in accommodation that is above the guidelines.

In order to have any semblance of order in controlling expenses, we have to have a guideline as to what we will spend on accommodation. It is done with regard

to the size of the family and, quite often, allowance is made for the fact that a person has a specific need. For instance, a handicapped person has a need of an accommodation in which they can have access easily. These things are taken into consideration when the staff are giving the rent allocations.

**Ms. Gray:** I would be interested in knowing from the Minister where she is suggesting that these recipients find other means if they want their rental accommodation to go above, in the sense, that certainly individuals are not allowed to receive income unless it is claimed. Perhaps she could tell us and, for the benefit of Manitobans who are on social allowance, where does she suggest they obtain those other means in regard to having extra dollars to afford accommodation which is more acceptable to these individuals?

\* (1630)

**Mrs. Oleson:** I agree that there is not a great deal of leeway in their choice for spending extra money, but there are the federal tax credits, for instance, and family allowance. The people have some choice as to how they will spend their money. Some people may choose to live in—because they have lived there for a length of time, for instance, and then gone on social assistance. They may not want to move and may find some other way of paying for the accommodation. We try to let people have as much choice as they possibly can.

**Ms. Gray:** The Minister has indicated that she is aware of groups who have discussed the shelter issue with the Minister. I would ask the Minister, does she see it as a sufficient enough concern and priority that she would ask her Research and Planning group to undertake to actually look and work with groups such as SACOM and MAPO to determine in fact if there need to be some changes in the area of the shelter allowance that is allowed for social allowance recipients?

**Mrs. Oleson:** That is being looked at on an annual basis. The staff review all of these matters to keep abreast of changing prices, the changing market. That is something that is an ongoing review.

**Mr. Rose:** Along the same line, I hope that this is an appropriate place for the Minister to answer. The Minister alludes to the fact that these recipients are available to 30 percent of the housing. My colleague has already said that a lot of those houses are substandard and even decrepit. I realize that Government would not want to tell people where to live. The question is prompted by the city councillor from Mynarski where this main problem exists in Winnipeg. He has left now, but he brought out a study just a short while ago that indicated that a very high percentage of these homes available to these people have work orders on them, whether they be for health reasons or sanitation or environment or what have you.

I know that was before this Minister was in Government but I wonder, being that there seemed to

be absolutely no concern on the part of the previous administration, if indeed in the meantime, in the seven months that this Minister has been in Government, if she has looked into this problem and has maybe indicated or found some mechanism where they could assist those people, especially when there are absentee landlords who do not really care about upgrading the premise. I wonder if her department has any key or mechanism that could assist those people renting those homes and who are on social assistance, particularly in having those work orders completed.

**Mrs. Oleson:** The Member indicated that he is talking about accommodation that has work orders against it, health regulations being violated. This department really cannot get into every single aspect of the housing, be it the house repair and that sort of thing. I am sure the Member has some friends still on City Council. Perhaps he could encourage the city to act on some of their work orders and do some improvements. I know it and it has been raised to me that it is a problem. It is not really the prerogative of this department to go and tell people, do not live in that house because it is substandard. They may feel that it is home and they want to live there.

**Mr. Rose:** I am certainly not asking the Government to tell people where they live or to move out of some place, but you say that I know some people on City Council. I was on City Council, the solution is not there either. This is the senior Government. This is the level of Government that is paying the bills.

I would think that when this Government pays either directly or indirectly the rental payments, which are substantial, that they would have some concern that at least those monies went into a direction where the people living in those homes under social assistance would be up to the minimal standards particularly in those regarding health. What I previously asked the Minister—and obviously she has not studied the subject, and that is fair ball. I do not criticize her for that. Will she indeed look into the situation so that those thousands of people, particularly living in that ward, get some relief on this and can live in decent circumstances to at least the level that they are paying for at the present time?

**Mrs. Oleson:** I will repeat that we really do not have authority—maybe authority is not the right word—to tell people where to live.

I can certainly indicate to the Member that I have talked to some of the advocacy groups about this. I will continue to be looking at it. Perhaps the Member has some suggestion of how we could get around this and how we could better this but people choose to live wherever they choose to live, and we certainly do not want to get into their every day lives any more than we have to.

**Mr. Rose:** I would not ask Government to get into everybody's lives but nobody would criticize this Government or condemn any Government for interfering in people's lives where they make their lives better and that they can enjoy society better. As far

as suggestions, maybe perhaps if the Minister had concern for people in her 55-Plus Program, for instance, where seniors are sometimes unable to do things for themselves, and being that we now have a Minister who advocates for seniors, maybe in that small area where those people are living in sub—and I do not think it is a laughing matter, I think it is a very serious matter. It is one of the core matters in the North End of Winnipeg and why we have problems, and I think we should start addressing it and be serious about it. But I wonder if indeed she might discuss it. I do not know, I did not think it was funny.

I wonder if this Minister would indeed take some time in the near future to discuss it with her Seniors' Minister (Mr. Neufeld). Maybe you can make some small start on this to see if there can not be some department of Government or some people who already exist that—I am not asking them to enforce the law and I am not asking them to tell people to move, but I am suggesting that those people on assistance need some help in dealing with their landlords and dealing with the city to make sure that at least the health standards of where they are living are brought up to a respectable level. I think that is a role for Government and I think that wherever we can make life easier for people that we all have responsibility in Government and especially if we are providing the dollars.

**Mrs. Oleson:** I will indicate to the Member that I am taking it seriously. When he got up and started talking about "now that we have a Minister of," and started talking about 55, I thought he was talking about my age and we have a 55-Plus Minister so maybe we would get better results with 55-Plus. I was sort of laughing with staff about that. But anyway, back to the point, I do take it seriously. I will look at it, but it is not a function that has taken place in this department before where we go out and say that, you know, your house is not up to par. I do not want to be the person who goes and tells someone their home is not fit to live in.

I mean, you are asking quite a lot of this Minister. Some people might go to my home and say that, you know, they did not like it, but I will undertake to talk to advocacy groups. I am sure that the advocacy groups, for instance, MAPO, I am sure they raised this. They have raised it with me. I am sure they have raised it with the City Council who have some jurisdiction over the rental accommodations in the City of Winnipeg where the Member is particularly referring, I am sure, and he did refer to the North End of Winnipeg. But it has not been a function of this department to be into housing renovations and we do not see ourselves as the tenant. We are assisting people to pay their rent, and I think it would be a variation or I know it would be a variation on the function of the department to be into changing in that regard as to policing housing improvements and so forth.

**Mr. Rose:** I think that the Government should be reaching out to see where there are inequities in our society and especially where Government is involved to the extent that they are paying social allowance to the family and they are paying for shelter and what have you. We have a parallel here that I see in regard

to the Unemployed Help Centres, and I fully concur with the Minister there that this is a federal jurisdiction and maybe this problem that I am alluding to before is a city jurisdiction but, even as human beings, we just cannot turn our back on it and Government has some leverage. Your Government has leverage to do something about it and help these people so that at least when you are paying \$350 or \$400 or \$500 or \$600 in rent that the people get the value and have sewer and water and sanitary conditions.

\* (1640)

It is the same in regard to that other program that I would like to go back on, the Unemployed Help Centre. I do not think that it should be the province that has that but, unfortunately, her colleagues in Ottawa are conducting a program that is so slipshod and so flawed that the people are not getting service from the UIC, Mr. Acting Chairman.

I think it was last year's Estimates the Minister said that she talked to the federal people and she said, look, this is your program, do something about it. So she recognized there was a problem, said do something about it so that these people get some help. So she was willing to talk to the federal people and get some help.

I guess what I am really asking is, are you at least willing to go so far as to talk to the city to get some help because they do not seem capable to do it on their own, instead of asking the provincial people to get some help instead of taxpayers pay the money to help with the federal program.

Then she goes on to say, "I get calls quite often from people having problems with unemployment insurance. I am sure every MP gets dozens of them but I refer them to their MP. Their offices, to my knowledge, have straightened out a great many."

She has pinpointed the problem when she was in Opposition very, very clearly, and now I am in Opposition I have pinpointed them very, very clearly. I am not going to stand here today and ask you to put this money back in the budget for the Unemployment Help Centre, but I will ask the Minister—and I want it on the record now. I have asked her previously that at least in that program—and I know I am digressing a bit here but I want you to have patience with me—if for the record that this Minister will contact the Minister responsible in Ottawa to see.

She did allude earlier in their questioning by the NDP that the federal people had put some more people on staff but, unfortunately, those people on staff are not doing the job and we can verify that. So what I am asking the Minister is, will she at the soonest possible time contact the Minister—probably the Honourable Jake Epp would be the proper person and close by—to see that the mess that exists with public relations, with clients, with UIC in this province is straightened out?

Unfortunately I am not like the Minister when she was in Opposition. I handle all of these personally that come to the Liberal Party, and I do that because I know

that is the fastest way of getting it done and also I learn of the day-to-day problems of the people.

No MP will have said that he has heard from me, so I do not want any questions why did you not contact any MP on it because I have been handling it. I have other things to do with my time and I would request the Minister to contact her counterpart, her colleague, and see if this problem that did not arise overnight—I acknowledge that—but this problem that does exist now and that she has some influence to correct, that she will do her best, make her best efforts to do so?

**Mrs. Oleson:** As I indicated to the Member when we had a discussion on this the other day, I had told him that I have undertaken to talk to the Minister. I will have to wait to see who that Minister is, of course, because of the changes that may take place.

I have in the past talked to federal Members of Parliament about this. I have been assured that they will look into it. They looked into it to the extent that four more people were hired. That is one step in the right direction. They put three more people into the Winnipeg offices and one in Brandon. These people are to assist in unemployment insurance problems. They have also instituted a phone line for people, potential clients or those who are trying to get UIC, where they can talk to people in the Unemployment Insurance Department to get assistance.

The Member says that he handles them personally himself and seems to think that I never have. He is wrong. I have handled a lot of those, but I think you are making a mistake. If you handle them all yourself and you do not give them to the federal MPs, then they will not know there is a problem. If you indicate to them and turn it over to them, they will know it is a problem and they may get at it sooner.

I have found over the years that most of the MPs' offices are very helpful in sorting out the unemployment insurance problems. They are problems of any program that any Government puts on. There are some people who have some complaint about it or have some problem with their qualifications of getting on to it and I have indicated, and I will indicate again, that I will be talking to the federal people for improvements in what is definitely their program under their jurisdiction.

**Mr. Rose:** I do say the reason I handled them is because the one way to really understand a problem and understand if it is real is to do all the dealing yourself. I do not intend to carry on this service, especially when the Unemployed Help Centre closes.

That is what I am asking the Minister, instead of me contacting MPs, she has her colleagues. The Tory Government was re-elected and they will have a Tory Minister in charge of that and they will have their Cabinet Ministers, but I do not want in any way to leave the feeling that I think that we should have a department in this, because we should not have an ombudsman sort of a department for every federal department. The federal people should be able to administer their own problems properly.

I do say that the funds expended in this are certainly—and I do not know the numbers. I know your

present Attorney-General (Mr. McCrae) asked in Estimates, I believe it was last year, how many claims the Unemployed Help Centres in Brandon and Winnipeg had handled and to the extent of how much money had flowed to them. I have not seen anything on the record but, if those are available, I would like to get them current figures too. I have heard direct stories that when people are refused UIC for legitimate reasons particularly, that they immediately go on social assistance and then there is a claim developed and lawyers' fees which the Government pays plus social assistance. All the monies expended there are not a net loss.

Because of that and because we know that there is an extreme problem right now with the Unemployed Help Centres operating, would the Minister consider and could she assure us that those Help Centres will be kept in place by her Government until such time that she is satisfied that these four or so people that the feds have put on the payroll are doing the job adequately to address the concerns of people who approach UIC for benefits?

**Mrs. Oleson:** I have written to both of the Unemployed Help Centres, the one in Winnipeg and the one in Brandon, and indicated to them that their funding will continue to the end of this fiscal year. That has given them a period of time to find other funding or to wind down, whichever is the case, and I have also undertaken, as I said, to talk to the federal Minister. I quite often talk to other MPs from Manitoba who go to Ottawa. So I think the matter should be taken care of.

I do not think the Member should equate exactly the claims that are processed and say appeals won as to direct dollars that never would have happened if the Unemployed Help Centre was not there. I mean, I do not think there is a direct correlation there. There may be some but there is not a direct dollar for dollar because they might very well have got those claims anyway. I have never indicated that those centres in any way—I have never been negative about them in the point of whether or not they did their work well or anything like that. What my indication is, and I am glad that I have some support in the Opposition, is that they are a federal responsibility and, as such, the federal people should look after the problem.

\* (1650)

**Mr. Rose:** This may not be an appropriate place to ask this question but I am sure that the Minister can give us some indication or perhaps, when we meet again, there will be some answer for it. We will be breaking up shortly.

Recently, the Minister announced an increase in social allowance of 3.9 percent. Under questioning by the Second Opposition Party, I think it was, she had said that she would be monitoring the cost of living on a month-to-month basis in making adjustments. I presume that means, if the inflation continues, that may see some increases on some months in 1989. Being that we have seen substantial rate increases above the 3.9 percent for even Government utilities like phones

and hydro and we have seen milk prices rise for the second time in the year, which is a very important commodity to these people, has the Minister now got sufficient data that confirms that her 3.9 percent figure is outdated and that she is prepared, with still almost a month to go yet till the 1st of January, to live up to what she indicated in Question Period and that she will make an adjustment for January 1, 1989 on social allowance payments?

**Mrs. Oleson:** The Member is asking me to change the rates as sort of a knee-jerk reaction really. Historically, these rates have been set with figures that were available from January to August. I could indicate that, for instance, in March, the rate was 4.2 percent; in April, it was 4.6 percent; then it went down to 3.3 percent, 3.4 percent. It jumps around all the time. I did indicate though that we would monitor it. It went up to 5.7 percent in October. There is nothing cast in stone that is going to stay at that rate. We would have to look at that and, as I say, monitor the situation.

It has not been the practice of responding to, for instance, the price of milk increase, you immediately raise the rate. You have to look at the picture in an overall way. As I say, historically, the rates have been set on this eight-month averaging, and that is how they have been set this year. Hopefully, what has taken place, for instance, in October with the 5.7 percent will not be the picture for the rest of the year, but we will be looking at it.

**Mr. Rose:** Part of the mandate that this Government got when they were elected is to change things. Now this Minister in previous questioning now is falling back on precedents set by a Government that they continue on a day-to-day basis condemning as not knowing how to manage. So, I do not think that answer is good enough.

I wonder why you are hung up with that precedent because you could change it from an eight-month basis to a nine month or ten or eleven, which would be even more effective if you changed it to September or to October. Any figure that she took during that period, I believe that she would check, would find that it comes out in excess of 3.9 percent. So she is using the lowest values, and I respect that she is using a precedent figure but this is a new Government, this is a new Minister, and this is a new mandate. Why can we not change the criteria because it is not necessary to change these rates at the points she did? These rates could be probably changed in the last week of December and still be effective for January 1, or she could make adjustments at this time for February 1. I do not see, Mr. Acting Chairman, any need to just rely 100 percent on precedents by the previous administration.

(Mr. Chairman in the Chair.)

**Mrs. Oleson:** Mr. Chairman, I was quite anxious to get up. I am wondering how the Member thinks that the staff—I know he appreciates that the staff are very efficient, but how are the staff going to at the end of December, New Year's Eve, set a rate, get it through Treasury Board, get it through Cabinet, get it approved,



and get the cheques out for the 1st of January? Now we have to think of what is physically possible. That is one of the reasons that this way of using the first eight months of the year, then you have time to make your calculations, make your projections, do the paperwork, which the Member may not be aware of but there is a heck of a lot of paperwork goes into any change, and also the Member should be aware there is a lot of money goes into it. So, there are a lot of things to consider, and they cannot be considered in the context of a few hours.

**Mr. Rose:** We have just recently heard the Minister of Health (Mr. Orchard) indicate that he will be giving psychiatrists a \$10,000 raise, I think it is, and I am sure in business and in Government there are things of this take part, not that I begrudge the psychiatrists the raise because I think that is a very commendable way to straighten out the problem we have with psychiatrists. I would wonder how fast that would be put into effect, if you need more than a month for social allowance.

**Mrs. Oleson:** I do not know whether the Member is expecting an answer to that, but there would be paperwork and there would be decisions to be made over any spending of funds, and we look at all this very seriously. That is one reason why these time frames are set. I could change it. If the Member would really like, we could change it from February till—when is the next month?—September. I mean that would be a change, if that is all he wants is a change. We would still need to calculate it on several months, and we would have to have ample time in which to do the calculations in order to pay the people. I would not be making a heck of a lot of change but, if the Member wants change, we could certainly alter it by a day or two or whatever.

**Mr. Rose:** To end this, I am not asking for change just for change's sake. I would imagine that for the most needy people in this society that if there was some extension or some change or some even bending of the rules or some unusual circumstances or a benefit of the doubt that the Minister would be compassionate enough to put that benefit of the doubt in the favour of those people who are the most needy in this province. Thank you.

**Mrs. Oleson:** I would remind the Member that we did choose the higher of the two rates that were available to us. I think that showed some compassion, some interest in how people on social assistance are funded. Where it may not sound like a big difference is a considerable difference when you think of total dollars, and those tax dollars are rather hard to come by. We raised the social assistance rates by 3.9 percent this year which amounted to \$4 million.

**Mr. Leonard Evans:** Mr. Chairman, I want to, although you were not in the Chair the whole time, remind the committee that I did make an opening statement. I have not yet asked any specific questions. I thought that there was some agreement to try to finish this today. Obviously, that is not going to be possible. We will go on tomorrow or the following day perhaps, and we have a number of questions to ask.

On a point of order, I see that we are all over the place under Research and Planning. I suppose you can do it any which way, ask all the questions under one item, or we could go and cover some of the areas. I do not really have any questions on Research and Planning (c) or 1.(d) Communications, 1.(e) Financial and Administrative Services, 1.(f) Personnel Management Services, or 1.(g) Information Systems. We could ask questions, we could pass them.

I want to get into Economic Security which is what my friend from St. Vital has been in, and I agreed with a lot of the comments and concerns he has raised. I have four or five serious areas that I intend to question. I am giving the Minister notice now that we want to have thorough debate on such things as the one-tier system, such things as what is happening to CRISP, and why there is a reduction of money, etc. There are some major questions.

\* (1700)

**Mr. Chairman:** To address the Honourable Member's point of order, I believe, over the last several months, the debate in the areas have variously either varied or stuck to the line-by-line approach, depending on how the Members wished to approach that particular departmental Estimates. If there are no further questions on this area, perhaps we can conclude the area and carry on line by line if that is the wish of the committee.

**Mr. Leonard Evans:** I am very easy on this. I just wanted some guidance. Are we going to carry on like this, ask all the questions under Research and Planning, or are we going to go into some of these other sections?

**Mr. Chairman:** Simply as a humble servant of the committee, the committee gives me direction. If the committee so chooses to go line by line, that is fine with the Chair.

1.(c)(2) Other Expenditures—pass; 1.(d) Communications: (d)(1) Salaries—pass; 1.(d)(2) Other Expenditures—pass; 1.(e) Financial and Administrative Services: (e)(1) Salaries—pass; 1.(e)(2) Other Expenditures—pass; 1.(f) Personnel Management Services: (f)(1) Salaries—pass; 1.(f)(2) Other Expenditures—pass; 1.(g) Information Systems: (g)(1) Salaries—pass; 1.(g)(2) Other Expenditures—pass.

The hour being 5 p.m., it is time for Private Members' Hour. Committee rise.

## IN SESSION COMMITTEE REPORT

**Mr. Mark Minenko (Chairman of the Committee of Supply):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same, and asks leave to sit again.

I move, seconded by the Honourable Member for Burrows (Mr. Chornopyski), that the report of the committee be received.

**MOTION presented and carried.**

## HOUSE BUSINESS

**Hon. James McCrae (Government House Leader):** I would like to announce that on Thursday, the Standing Committee on Economic Development will sit to consider the Annual Report of the Manitoba Oil and Gas Company, 10 a.m., Room 255.

**Mr. Reg Alcock (Opposition House Leader):** Mr. Speaker, I believe there is leave to waive public bills right now and to move Resolution No. 35 forward for debate right at this time. At the conclusion of that debate, we will revert to Public Bills.

**Mr. Speaker:** Is there leave? (Agreed)

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Private Members' Business, I would like to draw Honourable Members' attention to the Speaker's gallery, where we have with us today several members from the Winnipeg Community Centre of the Deaf. Also with them today is Mr. Larry Zimmer, the president of this Community Centre.

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

### PRIVATE MEMBERS' BUSINESS

#### PROPOSED RESOLUTIONS

#### RES. NO. 35—AMERICAN SIGN LANGUAGE

**Mr. Speaker:** Private Member's Resolution, No. 35, the Honourable Member for Osborne (Mr. Alcock), American Sign Language.

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I move, seconded by the Minister of Culture Heritage and Recreation (Mrs. Mitchelson), that:

WHEREAS Canada takes pride in its cultural mosaic and officially endorses the policy of multiculturalism; and

WHEREAS deaf Manitobans view themselves as a distinct community with their own language, customs and values; and

WHEREAS American Sign Language (ASL) is distinctive, with its own grammar and rules of usage, thereby making it the true and complete first language of deaf Manitobans; and

WHEREAS deaf Manitobans are entitled to the full advantages and privileges of citizenship.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba recognize the cultural uniqueness of deaf Manitobans by recognizing American Sign Language as the language of the deaf in Manitoba.

#### MOTION presented.

**Mr. Alcock:** Some of the Members of the House have asked me to sign this as I am speaking to it and I can

indeed use the various gestures that are associated with American Sign Language. I could indeed follow the English grammatical usage that I use when I speak. But I, in fact, do not know American Sign Language. That, I think, is the reason why the deaf community in Canada and throughout the world have wanted Governments to begin to recognize that American Sign Language is not a simple matter of taking English grammar and usage and, through gestures, trying to communicate that, but that it is a language that has its own rules of usage, its own grammar, and its own sense of expression that grows out of a cultural identity that the deaf community takes onto itself.

I want to thank the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson) and their caucus for allowing us to move this resolution forward. I wish to thank the New Democratic caucus and the Leader of their Party for giving the same leave.

This resolution was drafted by the deaf community in Winnipeg. It is part of a movement that the deaf community across Canada is engaged in. Resolutions are going forward in other Legislatures across this country and indeed have been passed in the States and in other countries, in Europe and in fact in China.

\* (1710)

The genesis of this particular resolution goes back to a debate that was sponsored by the Winnipeg Cultural Centre of the Deaf during the election, where the deaf community brought forward four requests. The very first request that they asked this Legislature to consider was the recognition of American Sign Language as a language, as something distinct from English and something that is representative of their community in the same way that Portuguese or Italian or other languages are representative of a culture and a heritage and a background that sets them apart from other people. It is part of a growing movement among deaf people in this country as they gain pride in who and what they are and take control of their own lives.

I think the former Government needs to be commended, for they moved a very long way in improving the services that are available to deaf people. The Interpreter Referral Service was begun and greatly strengthened during their term in office. Enhancements to the Telephone System and such were made that have really enhanced the quality of life for deaf people, as they are now able to communicate much more freely.

I also wish to commend the current Government, who has moved to strengthening the Interpreter Referral Service and extend that much needed service into the legal fields and I understand soon in the medical area.

I also wish to thank the Minister responsible for Housing (Mr. Ducharme) for his assistance in resolving some of the issues at the Kiwanis Centre for the Deaf. I think in many ways that this resolution, I hope, represents the unanimous consent of this House as they act to support and recognize a group of people who are very much a part of the community here in Manitoba and very much one that participate as equal and strong and involved members of this community. So I thank the House. I think it is an excellent resolution.

I have worked with the deaf for over 20 years. I have a great many friends in this community. I first got involved as a volunteer in high school. I can say my involvement in this community changed the course of my life. It is a result of this involvement in high school that I began to work in human services and I feel I owe them a great deal. I thank the House for supporting this.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** I want to say, first of all, Mr. Speaker, that this is one of the times that I am proud to stand up in the House and say that all Members and all Parties, no matter what their political affiliation is, what their philosophies are, can join together and present a resolution to members of our society, our community, our culture and our province, and do something that is positive and truly reflective of all our feelings.

Mr. George Veditz, a deaf teacher who became the president of the National Association of the Deaf in 1904, said, "As long as we have deaf people, we will have sign language." Research on sign languages in many different countries shows us that he was quite right. Throughout history, wherever there have been deaf people, there have been signed languages—Chinese Sign Language, French Sign Language, Danish Sign Language and so on. In fact, some scientists believe that the first languages that humans used in prehistoric times were gestural languages.

American Sign Language was established as a living language in 1817 by Thomas Gallaudet. Dr. Gallaudet knew then, as we do now, that every language has a special relationship with the group of people who use that language. The language reflects who those people are, what they value and how they think about themselves and the world around them. Some scholars even refer to a language as the soul of the community of people who live with and use that language.

Among the basic values of the deaf community and its sign language, ASL, one very concrete way in which a person demonstrates acceptance and support for the values and goals of the deaf community is by showing respect for and acceptance of ASL. Deaf people, the hard of hearing, and many hearing people, are becoming increasingly aware of the impressive heritage and culture of the deaf society.

Deaf culture involves a complex web of social experiences, including the relationships and interactions among family members, friends, and particularly peers, the values and traditions learned and developed by deaf children, the way a deaf person has been educated and trained, the influence of parents, siblings, friends, teachers, clergy, employers and a host of others, the method of communication one had adopted and with which one is most comfortable, the lifestyles one lives, and the heritage and history of which one is most proud.

The growing cultural and community consciousness among local deaf leaders reached a new level in April of 1985. A major Canadian event was organized at that time, the Deaf Culture and Pride Workshop. During the two days of lectures, visual presentations, skits, panel discussions, displays, and cultural and linguistic

experiences, delegates from both the deaf and hearing communities demonstrated a genuine commitment to act on some very important and long-standing issues. The workshop delegates unanimously approved two resolutions at that conference.

The first resolution dealt with the community need for a community cultural centre. I am pleased to say that Manitoba Culture, Heritage, and Recreation at that time played a significant role in funding a feasibility study for the proposed cultural centre. A new deaf culture and community centre is proposed in Winnipeg that will someday be distinctive virtually throughout the world. It will be the vehicle throughout which the deaf community will achieve its fundamental objectives: to build confidence and pride in deaf people in their abilities, accomplishments, and culture; to promote solidarity among all the organizations representing and serving the deaf community; to reach out and help many deaf and hard-of-hearing people who are currently undetected and invisible; to provide needed services, training, and increased employment opportunities for deaf people; to foster deeper understanding of and more practical responses throughout the hearing world to the needs and potential of deaf persons; and to provide a valuable and unique deaf cultural experience for hearing persons.

When the community is ready to proceed with their dreams, the department will be delighted to help them achieve their goals. Meanwhile, it gives me great pleasure to second the resolution recognizing the unique culture and language of the deaf community. It is intrinsic to the understanding of deafness, as culture is the recognition of common language, American Sign Language, for it is the distinctive language, values, customs, history, and experience of deaf people, in short, their way of life, that has created this distinct and vibrant culture of the deaf community. So I am pleased to second the resolution.

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, it is indeed an honour to join with Members of this Chamber, particularly to join with the deaf community who drafted this resolution and the document that is before us today, in supporting this resolution on behalf of our caucus of the New Democratic Party. The principle of pride in one's culture, I believe, is very important to all Manitobans and important to all Members of this Legislative Chamber. Indeed, I know that the community that has presented this proposal today should be very, very proud of the work and their efforts and the resolution that we are debating and, I am sure, will pass in this Chamber this afternoon.

I had the pleasure and honour of working with the community just a recent period ago, Mr. Speaker, on the very important needs of the telephone system, in terms of the inadequate telephone system that was in operation in the province with the deaf community. I was very happy to work with members of the community to develop a relay service in the Manitoba Telephone System that has been implemented with the support of all Parties by the Crown corporation in this province.

This is a very important resolution to the community and we believe that they should have all the recognition

for bringing this resolution forward in this Chamber today. The New Democrats are proud to support their resolution to have their distinct society and distinct culture with their language, the American Sign Language, that they are proposing in this Chamber. We congratulate them and we support them.

**QUESTION put, MOTION carried.**

\* (1720)

### **DEBATE ON SECOND READINGS— PUBLIC BILLS**

#### **BILL NO. 2—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 2, The Business Names Registration Amendment Act; Loi modifiant la Loi sur l'enregistrement des noms commerciaux, standing in the name of the Honourable Minister of Urban Affairs (Mr. Ducharme). (Stand)

#### **BILL NO. 3—THE CORPORATIONS AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 3, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the Honourable Minister of Finance (Mr. Manness). (Stand)

#### **BILL NO. 13—THE MANITOBA HYDRO AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Flin Flon (Mr. Storie), Bill No. 13, The Manitoba Hydro Amendment Act; Loi modifiant la Loi sur l'Hydro-Manitoba, standing in the name of the Honourable Member for Inkster (Mr. Lamoureux). (Stand)

#### **BILL NO. 16—THE REAL PROPERTY AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 16, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels, standing in the name of the Honourable Minister of Municipal Affairs (Mr. Cummings). (Stand)

#### **BILL NO. 19—AN ACT TO PROTECT THE HEALTH OF NON-SMOKERS**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Concordia (Mr. Doer), Bill No. 19, An Act to Protect the Health of Non-smokers; Loi sur la protection de la santé des non-fumeurs, standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

#### **BILL NO. 20—THE WATER RIGHTS AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for St. Norbert (Mr. Angus), Bill No. 20, The Water Rights Amendment Act; Loi modifiant la Loi sur les droits d'utilisation de l'eau, standing in the name of the Honourable Member for Wolsley (Mr. Taylor). (Stand)

#### **BILL NO. 25—THE UNFAIR BUSINESS PRACTICES ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 25, The Unfair Business Practices Act; Loi sur les pratiques commerciales déloyales, standing in the name of the Honourable Minister of Finance (Mr. Manness). (Stand)

#### **BILL NO. 26—THE CONSUMER PROTECTION AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 26, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Attorney-General (Mr. McCrae).

**Mr. Harry Harapiak (The Pas):** Mr. Speaker, if you would allow me to speak and let the Bill stand in the name of the Honourable Attorney-General?

**Mr. Speaker:** Do we have leave to leave it standing in the name of the Honourable Attorney-General? (Agreed)

**Mr. Harapiak:** Mr. Speaker, I am pleased to stand and speak on The Consumer Protection Act. Before moving into my comments, I would like to give credit to the Member for Elmwood (Mr. Maloway) who has brought forward many Bills dealing with consumer items. I think that we should congratulate the Member for Elmwood for all the work he has done in this area.

Speaking on The Consumer Protection Act, The Consumer Protection Act was originally brought forward in 1969 by the Schreyer administration. At that time, it was considered quite a revolutionary piece of legislation. It deals with several areas dealing with consumer protection. There are three areas that need improvement. There are several areas of The Consumer Protection Act that do require improvement, but there are three areas that this particular piece of legislation deals with. That is in the areas of warranties, credit terms, and direct selling, licensing and bonding.

I guess the three areas that are being addressed in this legislation, the first is extending the cooling-off period from direct sales from four days, which it presently stands for under Section 61, to seven days. I think this is a reasonable compromise because there are other provinces in Canada where the cooling-off period is 10 days. I believe in the Maritimes, as well

as in Saskatchewan, there is a cooling-off period of 10 days, and I think that the recommendation made by the Member for Elmwood (Mr. Maloway) here is a reasonable compromise.

I guess, having worked in the area of direct sales for a few years in selling directly door to door, I think it is reasonable, because there are many occasions when there are some salesmen who will come along and talk people into quite a large purchase and then, after the people have had an opportunity to think it over, they are locked into a contract.

I think there are many organizations that are working and selling in direct sales who, once they see this, will also appreciate it because I think you have a lot of unhappy customers if you sell the consumers an article and later on, when they have had an opportunity to think it over, they are not happy. I think they are unhappy customers as well as it is a bad reflection on the—

**Mr. Speaker:** Order, please. The Honourable Member for The Pas (Mr. Harapiak) has the floor and I am having some difficulty hearing him. Those Honourable Members wishing to carry on a private conversation could do so outside the Chamber, please.

**Mr. Harapiak:** I think that it almost reminds me of Friday, and a Friday afternoon where people are busy with other things so they are not—

I think it is a responsible way to go, to extend this to seven days and give the people an opportunity to change their mind and have an opportunity to cancel the contract and have their money returned.

I know that when I was involved in direct door-to-door selling, there were many salespeople who were pretty unscrupulous and they used many high-pressure tactics to get people to buy articles. I was not one of them because I never have been a high-pressure person, but I know there are people who were. I think that this is a reasonable direction to take, to give seven days to reconsider in the event that they do change their mind.

The second amendment is a new section dealing with prepaid services. There are many consumers who have lost many dollars because of a long contract that they may have signed. I guess some of the areas that come to mind is when you are dealing with health spas, and there are many examples of that over the last couple of years, of where health spas have gone broke and people have signed long-term contracts, life contracts. I think that it is reasonable that we should be limiting the length of time that they can sign up for these contracts.

Another area that there are people who have been taken in by lifetime contracts is in the area of instructing the martial arts, as well as dance studios. Many contracts run for lifetimes and, when these organizations go broke, there is no way of returning the money.— (Interjection)— The Member for Lakeside (Mr. Enns) is concerned about signing a contract for a lifetime dancing contract and he feels that some people may not want to dance all their life. I agree with him, and that is why they should limit the length of the contract

so that people would have the opportunity to change their mind if they decide they did not want to continue dancing or participating in a health spa.

This amendment limits the time a contract can be signed to one year. I think it should be non-renewable and, if the people chose to continue on with the contract after that, then there would have to be a new contract signed. I think it is a reasonable amendment and I am sure that many of the Members will be supporting this. I do not see any reason why people should not be supporting an amendment of this sort.

The third amendment is one that there has been a lot of support from the consumers' associations and they have been working for this change for a long period of time. It is a new section, and it requires car dealers to keep the manufacturer's suggested retail price on the cars till they are sold. Ontario has this type of legislation and it has been working very well.

I guess, when I read the information on this, I was very supportive of it because I think there are many people who shop around and do not know if they are getting a good deal on their car or not. There should not be a large difference in the consumers' price of the cars between Ontario and Manitoba. There are several instances where people have written to the consumers' groups, showing that they had taken the opportunity to drive to Ontario where legislation of this sort is in place and they have found that the suggested retail price was displayed on the front window of the car and the price was much lower than it is in Manitoba. So there are instances of where people have saved as much as \$3,000 by driving to Ontario because of the fact there is legislation there.

\* (1730)

There are several letters that the Member for Elmwood (Mr. Maloway) has received which are supporting this legislation. In every case, they are congratulating the Member for Elmwood for taking the initiative and becoming an advocate for the consumers.— (Interjection)— The Member says it is all his relatives who sold, but I can assure the Members of the House that there are more than the Member for Elmwood's relatives who are interested in this piece of legislation, because it will help consumers even outside of his relatives who are going to be assisted. So I know that there are many—

**An Honourable Member:** But, first and foremost, his relatives.

**Mr. Harapiak:** But he has not got relatives in The Pas that I am aware of. I know that he has received some support from the people of The Pas, who are supporting this legislation as well.

There are several letters here that we can refer to, but I think it is not necessary to table the letters. I just want to add that I am in support of it and the consumers' associations have come forward. They have raised the issue with him, and they continue to tell the Member to congratulate him on bringing that forward.

There have been several newspaper articles on this legislation as well. In all of the cases, they have been

supportive of the amendment that was coming forward. I am sure, as in the other amendments I spoke on, that they were supportive of it as well. In this particular case, every article that I have read that has been posted in the newspaper has been supportive of the efforts that the Member for Elmwood is bringing forward.

I received a call the other day—if I had any doubt at all about the merits of this legislation, I had a call from Walter Kucharczyk the other day. He had come forward and recommended that we pass this legislation. So I know that Walter, with all of his years of experience, would not be supporting this legislation unless it was good for consumers.

There was an article that was in the Winnipeg Free Press on November 6 which deals with consumers purchasing new cars entitled, "In search of a Good Deal." In this article, it brings forward many arguments as to why we should be supporting this legislation, and I would just hope that the Members of this House would not procrastinate any longer. I know that the Attorney-General (Mr. McCrae) who has been holding this legislation for many months, I know he is in the process of coming forward and making a recommendation that we move forward with this legislation.

So I hope that the Attorney-General will not take much longer but will come forward and support this legislation. I think it is a very important piece of legislation that the consumers have been asking for a long period of time. So I would urge all Members to give their support to this Bill No. 36, which is brought forward by the Member for Elmwood (Mr. Maloway). Thank you.

**Mr. Mark Minenko (Seven Oaks):** One of the things that I think is important for every Government to do is to look to what is happening in the private enterprise world around us, and to consider whether the actions of some of our businesspeople benefit society generally, and benefit particular individuals specifically.

In earlier comments this year, I have spoken on the importance of small business to Manitoba and, with the Liberal Party's continuing support, the importance of small business to the economy in Manitoba and, as a matter of fact, to Manitoba's well-being.

However, one of the things that this Bill attempts to address is the situation where members of our communities, of our constituencies have purchased, in whatever form, a particular service from a particular business. Certainly, myself as a practising barrister and solicitor in this province, I have encountered many a circumstance where a person comes into my office and says, Mark, I have just signed this contract—and it happened to be with one of the fitness places in Winnipeg or in Manitoba—and they said, can you read over the contract and tell me what it says. I said, well I have told them that it is maybe already a little too late considering the fact that you have already signed it. As anyone I am sure will tell you, and they do not necessarily have to be a lawyer, Mr. Speaker, that these contracts, with the print that people can barely read, often contain many clauses that if a consumer was truly to consider the impact of those clauses, they would hesitate.

I would again draw all Honourable Members' attention to my remarks earlier this year with respect to the Bill dealing with condominiums, where I tried to provide Members of the House some advice as to the importance of reviewing matters like the condominium by-laws. In these circumstances, I would again encourage consumers across this province to certainly look a little bit more carefully before signing many of these contracts in order that they know the full impact of what they have agreed to. I see from the expressions of many Members of the Chamber that they understand the full impact and the importance of reading these contracts.

In the whole area of recreation, Mr. Speaker, one of the things that concerns me when I was reviewing the Supplementary Estimates of the Department of Culture, Heritage and Recreation was that under the recreation portion of the Honourable Minister's Estimates, we looked to the Objectives, Activity Identification and Expected Results of the recreation section of that particular department. One of the things that concerned me was that I think there is an important element that perhaps should be considered by Government in including as one of the objectives for this department to regulate in some form many of the recreational businesses that have been springing up in the last number, of years of which certainly many of us have partaken.

I feel that certainly the function of the Consumer and Corporate Affairs Department is to protect Manitobans from any abuse by the private sector but I think, more importantly, Mr. Speaker, that this can be certainly done much better with the consultation and involvement of the Department of Culture, Heritage and Recreation. I would certainly ask the Minister to review this particular section of her department and to perhaps provide herself or the House with the results of this possible investigation to allow the Department of Culture, Heritage and Recreation to regulate some of these recreational industries.

With respect to the Bill proposed by the Honourable Member for Elmwood (Mr. Maloway), I guess I only have to reflect on things that we have heard, maybe on more than one occasion. If the Honourable Member was indeed concerned about all of these different matters that he has brought forward to the Chamber, where was the legislation last year, the year before? I am sure the Honourable Member for Elmwood has certainly been in this House much longer than I have. Again, it brings a serious question of how serious is this matter raised by this Honourable Member. It certainly, I think, allows us to review this area of the law, review this area of public policy in the Province of Manitoba, to consider whether consumers are being adequately served in these two areas.

\* (1740)

Certainly, Mr. Speaker, I have also come across situations in my professional office where people have come in and said, well, I would like to try to get out of this contract or that contract for a number of reasons, where they were really in fact bound by the terms of that contract to continue with the terms of it. Again,

I think this is where the regulation by Government and whatever department the Government so chooses, but certainly I believe in consultation with the Recreation Division, that perhaps there needs to be some sort of better structure in place to ensure the safety and security of Manitobans who participate in these activities, as referred to in the Honourable Member's Bill.

I will deal briefly with the aspect of this bill dealing with the automobiles. There is certainly a great amount of uncertainty and certainly a great amount of concern when people who have not purchased a car in several years or many years go into a car dealership and discover that the price has gone up, and not gone up in perhaps what one person or one consumer might believe is a reasonable amount but perhaps the prices of cars have indeed skyrocketed. I am sure all of us can relate to that particular aspect of our daily lives when we have gone out to look for a car to be replaced if it has been totalled, and Autopac is prepared to settle for the whole amount where the amount received from Autopac may be able to purchase a couple of the tires, part of the motor, and a dashboard or two of the automobile, but not much more.

I think this is another area that perhaps we need to look at in order to better protect consumers in this province. Certainly, if an individual were to be able to review the suggested dollar cost, the suggested retail prices of particular parts to the automobile and the automobile itself, the consumer may be in a better position.

We also have to look, Mr. Speaker, that the consumer himself should be prepared and should be advised to do a little reading himself. I certainly know that, before purchasing my most recent automobile, I spent certainly some time reviewing the various business literature considering consumer reports, as to relating to the longevity of the vehicle that I was looking at and seriously considering, as well as going to the public library and looking at some of the prices that they suggest for an automobile. There are materials available to the consumer to better acquaint themselves with what they are really getting into.

Mr. Speaker, there were certainly, as was raised by the Liberal Consumer and Corporate Affairs critic (Mr. Chornopyski) just several days ago, some concerns in this Bill that perhaps the Honourable Member for Elmwood (Mr. Maloway) would like to reconsider as well. Although there are a number of sections in here throughout that try to make things much more certain, and I am the first to admit that lawyers certainly like certainty, as I am sure all consumers would like certainty, the Honourable Member for Elmwood does attempt to address those concerns in some of the sections, but I am indeed a little concerned, as in many of the endeavours or in many of the situations that people find themselves in, we always find that there are several people, if not more, who are prepared to take advantage of the system as set up. I would certainly suggest to the Honourable Member for Elmwood (Mr. Maloway) that, with respect to Section 1, Subsection 128(1) that he proposes, that would allow for the purchaser of the automobile to return the automobile and make the

contract voidable. I am sure all Honourable Members of the House would not want me to go into a difference between the different ways of setting aside a contract, but I think we have to concern ourselves with this particular aspect as well.

The concern, Mr. Speaker, is that there may well—I think we have to, as Government, as Legislatures and as prophets, attempt to find the balance between various interests. We have to balance the interests of the small businessman, and we have to balance the interests of that small businessman against the interests of society in general, and specifically with consumers purchasing certain goods and products and services. In that balance, we have to be prepared to ensure that there is a climate in this province conducive to business but not a totally unrestricted situation, Mr. Speaker, a situation where business and salesmen and saleswomen can go ahead and sell products and services left and right to, perhaps, in many situations a not totally aware consumer.

But I believe, Mr. Speaker, that this provision perhaps breaks that balance between those two opposing forces. I would certainly request that the Honourable Member for Elmwood (Mr. Maloway) review this Bill to ensuring that we maintain that balance so that, yes, Mr. Speaker, the rights of consumers and the interests of consumers are protected in the Province of Manitoba and yet small business is allowed to flourish.

**Mr. Speaker:** As agreed to, Bill No. 26 will continue to stand in the name of the Honourable Attorney-General (Mr. McCrae).

#### **BILL NO. 31—THE CHILD AND FAMILY SERVICES AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Flin Flon (Mr. Storie), Bill No. 31, The Child and Family Services Amendment Act; Loi modifiant la Loi sur les services à l'enfant et à la famille, standing in the name of the Honourable Minister of Education (Mr. Derkach). (Stand)

\* (1750)

#### **BILL NO. 32—THE MANITOBA INSTITUTE OF THE PURCHASING MANAGEMENT ASSOCIATION OF CANADA ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Lac du Bonnet (Mr. Praznik), Bill No. 32, The Manitoba Institute of the Purchasing Management Association of Canada Act; Loi sur l'Institut manitobain de l'Association canadienne de gestion des achats, standing in the name of the Honourable Member for Thompson (Mr. Ashton). (Stand)

#### **BILL NO. 36—THE CONSUMER PROTECTION AMENDMENT ACT (2)**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 36, The Consumer Protection Amendment Act (2); Loi No. 2 modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Member for St. Vital (Mr. Rose). (Stand)

## PROPOSED RESOLUTIONS

### RES. NO. 10—PROTECTION OF THE OZONE LAYER

**Mr. Speaker:** Proposed Resolution No. 10, Protection of the Ozone Layer, on the amendment by the Honourable Minister of Labour (Mr. Connery), the Honourable Minister of Northern and Native Affairs (Mr. Downey), who has eight minutes remaining.

**Hon. James Downey (Minister of Northern and Native Affairs):** Let me, first of all, start my comments or complete my comments on the resolution that is before the House dealing with the ozone layer and the - (Interjection)- Mr. Speaker, the Leader of the New Democratic Party (Mr. Doer) is clearly continuing to show his style of mannerism in this House and truly demonstrates, while he did not take the Premier's job, even though it be for a short four-week or eight-week period, he really demonstrated good judgment that he did not take it. Yes, he does not deserve it, and the people of Manitoba gave him that kind of a treatment on the 26th of April.

The Member for Concordia (Mr. Doer) continually likes to sit in this chair and make all kinds of comments and then rises and tries to put a bunch of information on the record when—I do not want to get into that. One would have to make an assessment whether it is misinformation or not, but he sits there so righteous and sitting with a group of people who—what did they do to the economy of Manitoba? What did they do to the Crown corporations in the Province of Manitoba? Here he sat with a group of people, with the former Premier of this province who was continually causing problems for the constituents of this province, whether it was taxation policies, whether it was a misdirection of Crown corporations.

So the Member, the Leader of the New Democratic Party, is totally out to lunch when it comes to putting anything on the record, whether it is dealing with Northern issues, whether it is dealing with Native issues, whether it is dealing with concerns of the average - (Interjection)- Well, Mr. Speaker, actually he should read that because I could get into Bill No. 47 if he wants to. You are spending thousands of dollars to tell people, to warn people of the problems that can be created by some different kinds of lifestyles when in fact it was he and his Government who passed the legislation that promoted it. Now we are having to spend millions of dollars to teach them what is right and what is wrong.- (Interjection)- Mr. Speaker, I think I am being baited here to some degree.

Can I indicate the record of the New Democratic Leader, and I just have to get this off. He was the great macho leader, the great macho leader of the MGEA in the Province of Manitoba. When we went to decentralize the Water Services Board, the macho Member could not contact me at all, would not send his concerns to me directly. He had to go around behind my back to the Premier of the Province. He did not have the courage to—that is what I would call a wimp—confront me with the move that we were making.- (Interjection)- Yes. Again today, could not contact me directly or would

not approach me directly, wanted to ask the Premier. I would call him the wimp sitting in here. I would call the Leader of the New Democratic Party the wimp.

You know, he thought he had a big issue today when he raises the question of a consulting contract dealing with the urban Native study. Mr. Speaker, we were preparing to make a major press release, an announcement dealing with that whole issue. I do not know where the Member of the New Democratic Party (Mr. Doer) stole the information or how he got it, but he obtained information.- (Interjection)- Well, there you go again, another admission. He is admitting that he has got full access to information. I do not know how he has it. He is telling us that he has full access to the information in the Northern Affairs Department. I would ask the Minister—now he is talking about the Department of Agriculture. I would think the Minister of Agriculture (Mr. Findlay) would be very concerned.- (Interjection)- The good old days. He is flip-flopping as many times in his comments from his seat as he is doing on Meech Lake.

Here is that great Canadian, that New Democratic Member who is talking about flip-flopping. One day he is supportive of the passing of the Constitutional Accord, sat in Cabinet with the former Premier of the province, fully involved in the signing of the accord. Now, because it is his political future which is on the line, he changes position.

I want to finish my comments about the Water Services Board. It was he, as the MGEA chairman, who did not want to have Water Services Board decentralized. When he is running for the leadership of the New Democratic Party, what did he want? Oh, one of his big leadership policies, we want decentralization of Government services. He did not want it when it was a decentralization of Water Services, but a few years later when he thought he wanted to be—and remember, he thought he wanted to be the Leader of the New Democratic Party (Mr. Doer). After he got it, he did not want to be the Premier. Now he does not want to be the Leader of the New Democratic Party.

**An Honourable Member:** I would not either.

**Mr. Downey:** No, I do not think anybody would right now. I mean that is like leading the dinosaurs. The Dinosaur Party is now sitting with 12 Members.

Let it be very clear. The people of Manitoba have truly assessed what the Leader of the New Democratic Party (Mr. Doer) is. No. 1, Mr. Speaker, and I say this with the greatest respect, it appears that he is a wimp, that is what is being demonstrated. That is unparliamentary. He is not a wimp, I would take that back. It appears that he is. That is right, it appears that he is.

Seriously, Mr. Speaker, what we have to do is get down to some basic facts and truths in this place. We cannot depend on the New Democratic Leader to do it.

All I want to conclude by saying is the people of Manitoba truly judged on the 26th of April what they



had in the New Democratic Party Leader. They had exactly what he is demonstrating to be—flip-flop on every issue demonstrated from Day One, totally a political opportunist, again demonstrated by wanting to run for the Conservative Party and we would not accept him. The only Party that would accept them was that dinosaur Party that was going into oblivion. He took it on and will see it to its final grave.

**Mr. Speaker:** Order, please. The Honourable Member's time has expired.

**Mr. Herold Driedger (Niakwa):** Would you please indicate to me how much time I just might have available?

**Mr. Speaker:** At six o'clock, you will have 14 minutes remaining.

**Mr. Herold Driedger:** At six o'clock, I will have 14, so I have one minute. All right. That means that in this one minute I shall not really be able to lend the weight to this resolution with the words of wisdom that are required, lending the dignity to what the resolution actually requires based upon the previous dissertation we just heard.

I understand that we were moving from a variety of subjects, none of which actually dealt with the ozone layer and the need for protection of the ozone layer. I, Mr. Speaker, would like to address my comments to that particular aspect of the environment.

**An Honourable Member:** Could we have relevancy here?

**Mr. Herold Driedger:** Absolutely, Mr. Speaker. We must have relevancy. Unfortunately, in this House, the theory of stable states does not apply.

**Mr. Speaker:** Order, please. When this matter is again before the House, the Honourable Member for Niakwa will have 14 minutes remaining.

\* (1800)

**Mr. Herold Driedger:** Okay.

**Mr. Speaker:** The hour being 6 p.m., this House is now adjourned and it stands adjourned until 1:30 p.m. tomorrow (Wednesday).