



Second Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

40 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, July 23, 1991

The House met at 1:30 p.m.

### PRAYERS

**Mr. Speaker:** Is there leave of the House to allow the photographer to enter and take the official photograph?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** That is agreed. Also, after the photographer is done with his photo, we will recess for approximately 10 minutes to allow him to remove all his paraphernalia. We will give a two-minute warning bell, at which time we can re-enter the Chamber.

\* \* \*

The House took recess at 1:39 p.m.

### After Recess

The House resumed at 1:47 p.m.

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Daryl Reid (Transcona):** Mr. Speaker, I beg to present the petition of L. Anderson, D. Anderson, Irvin Hildebrandt and others, requesting the provincial government to withdraw provincial funding for The Pines project.

### READING AND RECEIVING PETITIONS

**Mr. Speaker:** To the honourable member for Wolseley (Ms. Friesen). I have reviewed the petition of the honourable member, and it conforms with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

**Mr. Clerk (William Remnant):** To the Legislature of the Province of Manitoba

The petition of the undersigned citizens, of the province of Manitoba, humbly sheweth:

THAT the Winnipeg International Airport is vital to the economic health of the city of Winnipeg, and the project known as "The Pines," in its current location,

will jeopardize the future of Winnipeg International Airport.

THAT to risk the jobs of the hundreds of people who are employed at the airport is not in the best interests of the community.

THAT "The Pines" project will inhibit riverbank access to the general public.

THAT the strip mall portion of "The Pines" project will give a foothold to commercial development which is incompatible with the residential nature of the neighbourhood.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to respect the wishes of the neighbourhood by requesting the provincial government to withdraw provincial funding of "The Pines" project.

AND as in duty bound your petitioners will ever pray.

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mr. Jack Penner (Chairman of the Standing Committee on Industrial Relations):** I would ask to present the Third Report of the Committee on Industrial Relations.

**Mr. Clerk (William Remnant):** Your Standing Committee on Industrial Relations presents the following as its Third Report.

Your committee met on Thursday, July 18, 1991, at 10 a.m. and 7 p.m.; Friday, July 19 at 1 p.m. and Monday, July 22 at 9 a.m. in Room 254 of the Legislative Building to consider bills referred.

Your committee heard representation on:

Bill 59—The Workers Compensation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les accidents du travail et diverses dispositions législatives as follows:

Ms. Buffie Burrell - Manitoba Government Employees' Association

Mr. Yvon Dumont - Manitoba Metis Federation

Mr. William Laird - Manitoba Professional Firefighters Association

Mr. Harvey Levin - United Steelworkers of America, Local 5442

Mr. Robert Watchman - Manitoba Chamber of Commerce

Mr. Craig Cormack - City of Winnipeg

Mr. Gervin Greasley - Winnipeg Construction Association

Mr. John Huta - Private Citizen

Mr. Bob Sample - Canadian Union of Postal Workers

Mr. Garth Whyte - Canadian Federation of Independent Business

Mr. George Croft - Canadian National Railway - General Claims

Mr. Bruno Zimmer - United Food and Commercial Workers, Local 832

Ms. Debra Ram - Injured Workers Association

Mr. Al Harris - Manitoba Trucking Association

Ms. Judy Cook - Manitoba Federation of Labour Occupational Health Centre

Mr. Richard Kerylko - Private Citizen

Ms. Sandra Oakley - Canadian Union of Public Employees, Local 1063

Mr. Lend Wheeler - International Association of Machinists and Aerospace Workers, Lodge 484

Mr. Bob Hykaway - Amalgamated Transit Union, Local 1505

Mr. Michael Chuchmuch - Private Citizen

Mr. George Provost - Canadian Manufacturers Association

Mr. Harry Mesman - Manitoba Federation of Labour

Mr. Albert Cerilli - Canadian Brotherhood of Railway Transport and General Workers

Mr. Kelvin Dow - Canadian Auto Workers

Mr. John Irvine - Canadian Union of Public Employees, Local 500

Dr. Allen Kraut - Private Citizen

Mr. Glenn Michalchuk - International Association of Machinists and Aerospace Workers, Lodge 122

Mr. Robert Olien - Private Citizen

Mr. Howard Raper - Communications and Electrical Workers of Canada

Mr. Allen Ludkiewicz - Canadian Pacific Ltd.

Mr. Ted Dempster - Private Citizen

Mr. Kenneth Emberley - Private Citizen

Mr. Robert Ross - Private Citizen

Mr. Wayne Bell - Private Citizen

**Written Submissions:**

Mr. W. E. (Newton) Thomson - Private Citizen

Ms. Cecile Cassista - Canadian Association of Industrial, Mechanical and Allied Workers

Mr. Robyn Singleton - City of Brandon

Ms. Shelley Morris - Winnipeg Chamber of Commerce

Ms. Irene Giesbrecht - Manitoba Nurses' Union

Mr. Winton Newman - Mining Association of Manitoba

Dr. Roger Rickwood - FETCO WCB Subcommittee

Mrs. Jeannette Brëman - Private Citizen

**Your committee has considered:**

Bill 59—The Workers Compensation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les accidents du travail et diverses dispositions législatives;

and has agreed to report the same with the following amendments:

**MOTION:**

THAT the proposed clause 1(3)(b), as set out in subsection 2(3) of the Bill, be amended by striking out the French version and substituting the following:

(b) les membres de la famille de l'employeur ou de l'administrateur d'une corporation qui:

(i) sont employés par l'employeur ou la corporation,

(ii) vivent avec l'employeur ou l'administrateur à titre de membre de sa maisonnée,

à moins que la Commission n'approuve, en vertu du paragraphe 74(4), une demande de l'employeur ou de la corporation;

**MOTION:**

THAT the proposed subsection 4(3), as set out in subsection 5(1) of the Bill, be amended by striking out "wage loss benefits and medical aid are not payable for three weeks following the accident." and substituting the following:

(a) wage loss benefits are not payable for three weeks following his or her loss of earning capacity; and

(b) medical aid is not payable for three weeks from the day the worker requires medical aid.

**MOTION:**

THAT the proposed subsection 9(7.1), as set out in subsection 8(2) of the Bill, be amended by striking out "that is registered or required to be registered under that Act" and substituting "by a person other than the employer of the worker or a worker of that employer".

**MOTION:**

THAT the proposed subsection 30(1), as set out in section 21 of the Bill, be amended by striking out "subclause 29(1)(a)(ii)" and substituting "clause 29(1)(a)".

**MOTION:**

THAT the proposed subsection 30(3), as set out in section 21 of the Bill, be amended by striking out "subclause 29(1)(a)(ii)" and substituting "clause 29(1)(a)".

**MOTION:**

THAT the proposed clause 40(3)(a), as set out in section 21 of the Bill, be amended by striking out "basic personal exemption and exemption for dependents" and substituting "basic personal tax credits or exemptions, and tax credits or exemptions for a person who is a dependent of the worker, under the Income Tax Act (Canada)".

**MOTION:**

THAT the proposed subsection 40(4), as set out in section 21 of the Bill, be amended by striking out "and exemption".

**MOTION:**

THAT the proposed subsection 45(3), as set out in section 21 of the Bill, be amended by striking out "the worker was learning a trade" and substituting "the worker was an apprentice in a trade".

**MOTION:**

THAT the proposed subsection 45(4), as set out in section 21 of the Bill, be amended by striking out "sum" and substituting "average".

**MOTION:**

THAT the proposed subsection 49(2), as set out in section 21 of the Bill, be amended by adding "or special additional compensation under subsection 40(2), as that subsection is immediately before this section comes into force," after "permanent disability".

**MOTION:**

THAT the proposed subsection 49(3), as set out in section 21 of the Bill, be amended by striking out ", or special additional compensation under subsection 40(2), as that subsection is immediately before this section comes into force".

**MOTION:**

THAT the proposed subsection 49(5), as set out in section 21 of the Bill, be struck out and the following substituted:

**Time of adjustments under subsections (3) and (4)**

**49(5)** The adjustments referred to in subsections (3) and (4) shall be made at the end of the month that is two years after the date on which this section comes into force, and at the end of that month in each year thereafter.

**MOTION:**

THAT the proposed subsection 60.8(7), as set out in section 27 of the Bill, be amended by adding "up to but" after "pay costs of".

**MOTION:**

THAT section 30(1) and (2) of the Bill be struck out and the following substituted:

**Subsection 67(4) amended**

**30** Subsection 67(4) is amended

(a) by adding "affecting entitlement to compensation" after "in respect of a medical matter"; and

(b) by adding "before a decision by the appeal commission under subsection 60.8(5)" after "the board, in writing".

**MOTION:**

THAT the proposed clause 77(3)(b), as set out in section 37 of the Bill, be amended by striking out "sum" and substituting "average".

**MOTION:**

THAT the proposed subsection 77(3.1), as set out in section 37 of the Bill, be amended by striking out "sum" and substituting "average".

**MOTION:**

THAT the heading preceding subsection 53(2) of the Bill be amended by striking out "(1.6)" and substituting "(1.7)".

**MOTION:**

THAT the proposed subsection 101(1.1), as set out in subsection 53(2) of the Bill, be amended:

- (a) by striking out "who requests a reconsideration of a decision or appeals" and substituting "who is a party to a reconsideration of a decision by the board or an appeal"; and
- (b) by adding "respecting the claim of the worker or the dependent" after "possession".

**MOTION:**

THAT the proposed subsection 101(1.2), as set out in subsection 53(2) of the Bill, be amended by striking out "who requests a reconsideration of a decision or appeals" and substituting "who is a party to a reconsideration of a decision by the board or an appeal".

**MOTION:**

THAT the proposed subsection 101(1.5), as set out in subsection 53(2) of the Bill, be amended by striking out "conclusive." and substituting "conclusive except where a panel, in hearing the main appeal, determines a document to be relevant to an issue in that appeal, in which case the person referred to in subsection (1.2) may examine and copy the document."

All of which is respectfully submitted.

**Mr. Penner:** Mr. Speaker, I move, seconded by the honourable member for Seine River (Mrs. Dacquay), that the report of the committee be now received.

**Motion agreed to.**

\* (1350)

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**Mr. Jack Reimer (Chairman of the Standing Committee on Private Bills):** Mr. Speaker, I beg to present the First Report on the Committee on Private Bills.

**Mr. Clerk:** Your Standing Committee on Private Bills presents the following as its First Report.

Your committee met on Monday, July 22, 1991, at 3 p.m. in Room 254 of the Legislative Building to consider bills referred. At that meeting, Mr. Reimer was elected Chairperson.

Your committee has considered:

Bill 32—The Mount Carmel Clinic Amendment Act; Loi modifiant la Loi sur la "Mount Carmel Clinic";

Bill 66—The Winnipeg Canoe Club Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Winnipeg Canoe Club";

and has agreed to report the same without amendment.

Your committee agreed to not proceed with Bill 67, The Salvation Army Grace General Hospital Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Salvation Army Grace General Hospital", pending receipt of a legal opinion, and recommends to the House that this bill be held over and considered at the next session of the House.

Your committee recommends that the fees paid with respect to the following private bills be refunded, less the cost of printing:

Bill 32—The Mount Carmel Clinic Amendment Act; Loi modifiant la Loi sur la "Mount Carmel Clinic";

Bill 66—The Winnipeg Canoe Club Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Winnipeg Canoe Club".

All of which is respectfully submitted.

**Mr. Reimer:** I move, seconded by the honourable member for Fort Garry (Mrs. Vodrey), that the report of the committee be received.

**Motion agreed to.**

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

I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

**Motion agreed to.**

## TABLING OF REPORTS

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, I am pleased to table the Ninth Annual Report for the Manitoba Energy Authority.

## ORAL QUESTION PERIOD

### Tender Process—MHRC Building Government Policy

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, the tendering process is one of the most important actions that the government undertake on behalf of the citizens of the province. In fact, the tendering process was one of the important parts of

a scandal, in fact, the scandal in building this Legislative Building at the turn of the century.

This government and the people of Manitoba have been involved in issues related to the tendering process with the infamous awarding of the federal Progressive Conservative Party to the CF-18 contract to the province of Quebec, contrary to the merits for purposes of the Manitoba bid. So it is incumbent upon us in this Legislature to deal in good faith with all persons involved in a tendering process at all stages of the tendering process.

We have an Auditor's report that states clearly that the second proposal call from the provincial government did not follow government policy and made a number of negative comments about the second proposal call in dealing with the Manitoba Housing and Renewal Corporation building, something that was raised in this House previously.

I would ask the Premier: In light of the fact that he is chair of Treasury Board, which approved, according to the Auditor, all decisions that were made in the first and second process—the first process where the one company was 14 and the second process where that same company, principals of which are Mr. Shenkarow and Mr. Kozminski, became No. 1—will the action of the government in not following government policy open up the province to future court action? Secondly, what action will the government take to ensure that we are indeed following proper government policies on both the first and second stage of any tendering process?

\* (1355)

**Hon. Gary Filmon (Premier):** I thank the Leader of the Opposition for his question. I was hopeful that he might show a little integrity and get up and apologize for the accusations that he wrongfully made in this House on April 2, 1991, when he said, and I quote, in his question to me: "Was he the one, as head of Treasury Board, who changed a nine-month open public tendering process to a nine-day closed bid process, and why did he change that, given the fact that Manitoba of course has had problems with tendering before?" He concluded and said: "and I would suggest very strongly that documents indicate Treasury Board made that decision, and the Premier is head of Treasury Board."

Mr. Speaker, that accusation of political interference was addressed by the Auditor. He

said: "We found no evidence to suggest that there was any influence from any source, political or otherwise, on either the evaluation process or the selection decision."

He might also be interested in knowing what Judge Kennedy said in his response to this, and I quote from Judge Kennedy, who also reviewed this: From the media coverage alone, one might have expected that the applicant believed that there was political interference by the government in awarding the contract. The applicant does not make any such allegation. Indeed, it is the applicant's position, et cetera.

Mr. Speaker, I would have hoped that the Leader of the Opposition might have had some integrity in apologizing for alleging political interference in the decision. The fact of the matter is that we will ensure in future that the Department of Government Services and indeed all departments of government will follow proper procedure.

I know that it is no excuse to say it, but the department felt that, given the circumstances of the event, the taxpayer was entitled to the savings which did accrue ultimately \$1 million in saving by virtue of the retendering. The error that was made was indeed that they did not readvertise it, but they did not show any favouritism. There was no political or other interference in the matter, and they did an honest mistake, which we will correct by virtue of ensuring that the tender practices are properly followed.

### Michael Bessey Involvement

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, this is the oldest, slimiest trick in the book. Misquote what the Leader of the Opposition said, and then use an Auditor's report to refute it. The word political interference was not in my question.

The question was: Did Treasury Board—read it again—authorize the process that changed it from an open bid to a closed bid? Quote from the Auditor's report: The Treasury Board, by minute, March 5, 1991, did change the process. If you are going to quote, quote straight up.

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

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

**Mr. Doer:** The Treasury Board minutes are right there for everybody to see, and if the members opposite are happy with the fact that the Auditor said that the handling of the second or restated proposal

call was not in accordance with stated policy because it was not publicly advertised, if the members opposite are satisfied with that kind of process, then we will leave them to that tainted process. We believe in a process that is consistent from the beginning to the end, and we stand by that position as well.

I have a further question to the Premier. The question is—the Premier is head and chair of Treasury Board. Mr. Bessey is secretary to Treasury Board. Did Mr. Bessey contact any of the principals who were unsuccessful in the bidding and have any discussions with those principals, pursuant to the failure to award the tender to other proponents for the bid?

**Hon. Gary Filmon (Premier):** The answer to that question is no, and I want to quote, talking about slimy responses, from the Auditor's conclusions and recommendations: "The proposals received on the second request were not open publicly. Except for this, the process by which the lease was issued and the procedures followed by the staff and officials of the Department of Government Services in the Manitoba Housing Office Space leasing project . . . were considered to be generally appropriate."

So there is -(interjection)- Yes, Mr. Speaker. Aside from the second request not being opened publicly, all other procedures were considered to be generally appropriate. So talking about slime, let him not put on the record that there was any undue influence or any unethical process. That is the kind of innuendo that does not serve anybody well.

\* (1400)

**Mr. Gary Doer (Leader of the Opposition):** The Premier just read Hansard, and the statement that he alleged to have come from me in Hansard was not there. So now he has to find some other side issue in the Auditor's report which is totally unrelated to our concern that we raised in this House about an open public process for nine months and a closed process for nine days. That is what we raised. That is what the Auditor has commented on. We have been very consistent on this issue.

I have a further question to the Premier. He has denied that the secretary to Treasury Board has contacted the principals of some of the companies that were involved in the tendering. I would ask the Premier to go back and check with Mr. Bessey whether he called the two principals of Continental properties, the low bid on the first occasion, because

we have had it confirmed on a number of occasions that Mr. Bessey indeed was involved with those companies, Mr. Speaker. I would ask the Premier for the purposes of the record to take a second chance, to go back and check with his staff.

Secondly, I would ask the Premier, if in fact this is true and we are asking the question, will he tell the House and the people of Manitoba in what capacity was Mr. Bessey contacting those companies, given the fact that the Premier has stated very clearly the role of Treasury Board and the role of the Government Services in this matter?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will gladly respond to that, and I will openly acknowledge that the president, or whatever his name was, of Continental Equities called me about the process. I asked the secretary of Treasury Board to respond to him so that I would not—

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

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

**Mr. Filmon:** You asked if he contacted them. He called them in response to a phone call to me, and so that I would not be accused of political interference in the process, I asked the secretary of Treasury Board to call them and respond to those people. Yes, I did, Mr. Speaker, not to interfere and not to influence him, but to respond to their concerns.

### **Core Area Initiative Bilateral Replacement Agreement**

**Ms. Jean Friesen (Wolseley):** Mr. Speaker, we learned today of a bilateral agreement for a federal-provincial strategy for Winnipeg's economic development. The most striking aspect of this is that the federal government has said that there will be no new federal money. What we are seeing here is an elaborate and cynical shell game with our own money.

First of all, the federal government walks away from the ACCESS program, from ESL programs, from the Winnipeg Education Centre. It abandons the people of the inner city, and I choose my words carefully, Mr. Speaker, but those of us who represent inner-city ridings know very clearly that suffering is increasing. The federal government response is to take money from existing programs already announced to and agreed to by Parliament and to repackage them as new programs for Winnipeg.



My question for the Minister of Federal/Provincial Relations is: Why is he prepared to accept this kind of a deal from a federal government which has deliberately and consistently, by cabinet decision, transferred jobs and money out of Manitoba? Will he go back to Ottawa and insist that new federal money must be on the table?

**Hon. Jim Ernst (Minister of Urban Affairs):** As I have indicated to the House on a number of occasions in the past, we have been having ongoing discussions with respect to a new agreement dealing with the needs of the core of the city of Winnipeg.

Mr. Speaker, what appeared in the newspaper today was a preliminary draft submitted to the provincial government by the federal government. We have not had discussions as of yet with respect to that draft. As I have indicated, we have had and are continuing to have discussions with respect to renewed programs for the Winnipeg core.

**Ms. Frlesen:** Mr. Speaker, my second question is for the Minister of Urban Affairs.

Given that tripartitism is possible in rural Manitoba—and we know today that Jake Epp is meeting with the mayor of Steinbach and is in agreement with the rural development department—will the minister, in those continuing discussions, ensure that the City of Winnipeg, which has already committed \$5 million to a new core area agreement, is part of a new agreement for the economic and social programs in Winnipeg?

**Mr. Ernst:** Mr. Speaker, as I have also indicated in past days, that very obviously, the City of Winnipeg will be involved. The city of Winnipeg's problem areas are the ones that are to be dealt with under any cost-shared arrangement. We will ensure that the City of Winnipeg has an active involvement in that process.

**Ms. Frlesen:** Mr. Speaker, I am glad to see that the minister is in agreement with the Minister of Finance (Mr. Manness), who believes that it makes no sense, no sense for the City of Winnipeg not to be involved in this.

### Proposal Tabling Request

**Ms. Jean Frlesen (Wolseley):** My final question is to the Minister of Industry, Trade and Tourism (Mr. Stefanson), who, I understood, chaired this committee dealing with the federal government.

I would like him to table the proposal that we now have to learn about from the newspapers. In spite of the fact that we have asked repeated questions in Question Period, repeated questioning in Estimates, we still have to learn about this kind of thing from the Winnipeg Free Press.

Will he indicate, in tabling that, which provincial monies are being committed and how this affects existing programs and people in Winnipeg—

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

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, as I indicated in the response to the member's first question, the fact of the matter is, what was advanced to us was a preliminary draft document submitted by the federal government. We have not agreed to it. We are in discussions with the federal government with respect to ongoing funding arrangements to deal with problems in Winnipeg's core area.

Mr. Speaker, when we have an agreement that is satisfactory to both the federal government and the provincial government, when we have an arrangement put in place so that the City of Winnipeg is involved as well, then we will table those agreements so that all members of the public will have full knowledge of what is proposed. To table draft documents at this point, I think, serves no useful purpose.

### Core Area Initiative Bilateral Replacement Agreement

**Mr. James Carr (Crescentwood):** Mr. Speaker, every once in a while, every once in a long while, we agree with the Minister of Finance (Mr. Manness), and we certainly did last week when he said to the member for Inkster (Mr. Lamoureux), in response to a question on care of Core Area renewal: "we really believe that you cannot have any type of an agreement unless the municipal government, i.e., the City of Winnipeg, is very much involved.

"So just to have the two senior levels and not the city, it makes no sense."

Now we have the Minister of Urban Affairs saying he has a draft agreement with just the two levels of government. What is the policy of this government on Core Area renewal?

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, as I have indicated already today in response to the question from the member for Wolseley, the fact of the matter is that the City of

Winnipeg must be involved in this process is evident, I think, for everyone to see, and that will occur.

### City of Winnipeg Involvement

**Mr. James Carr (Crescentwood):** Mr. Speaker, if there is a draft agreement already on the table between the Government of Canada and the government of Manitoba, what involvement did the City of Winnipeg have, by the way, the only level of government that put its money on the table already, some \$5 million a year for renewal of the core? We now hear that the federal government wants to reshuffle some old money. We do not know what the commitment is from the province.

My question to the minister is: Since there is a bilateral agreement on the table, what involvement did the City of Winnipeg have in its construction?

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, the same that the provincial government had—none.

What was advanced by the federal government is a preliminary document, a preliminary draft, Mr. Speaker, of an outline, and that is all that it is. It was advanced by the federal government to the province. The province has not yet responded. As I indicated, discussions are ongoing, and when a finalized document is finally put in place, we will make that public.

### Bilateral Replacement Agreement

**Mr. James Carr (Crescentwood):** Mr. Speaker, in press reports today, it says that the so-called bilateral agreement was negotiated with Federal/Provincial Relations officials of the government of Manitoba. Now, is the Minister of Urban Affairs saying that information is incorrect, and if so, what kind of bilateral agreement can you have if only one side is negotiating?

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, as I have indicated, and I will indicate it again, and perhaps I will speak a little more slowly, the fact of the matter is that this document referred to in the press report of today was in fact advanced by the federal government to the province, Federal/Provincial Relations officials, and that is as far as it has gone to date. It was not jointly drafted at all.

### The Rotary Pines Project Tender Process

**Mr. Doug Martindale (Burrows):** The Provincial Auditor has found serious flaws in the government's tendering process on the new Manitoba Housing building. He condemned invitational tenders because the procedures are so different from the public proposal call, and he said the financial analysis was not consistent.

In view of the Auditor's report and that the Premier has promised that Rotary Pines will be publicly tendered, will the Minister of Housing now assure the public and all building contractors that Rotary Pines will proceed by public tender, since we are talking about \$4.6 million of public funds and not by invitational tender or as a turnkey project?

\* (1410)

**Hon. Gary Filmon (Premier):** Mr. Speaker, I just want to correct for the record the inaccurate preamble of the Member for Burrows. This is what the Auditor said: "The proposals received on the second request were not open publicly. Except for this, the process by which the lease was issued and the procedures followed by the staff and officials of the Department of Government Services in the Manitoba Housing Office Space leasing project . . . were considered to be generally appropriate."

He goes on to say: "We concur with the rankings as determined by the Department of Government Services."

He goes on to say: "We found no evidence to suggest that there was any influence from any source, political or otherwise, on either the evaluation process or the selection decision." He does not say it was seriously flawed, and the member ought to withdraw that remark, Mr. Speaker.

### The Rotary Pines Project Cancellation

**Mr. Doug Martindale (Burrows):** Mr. Speaker, in response to the Premier's comments, two of the lines that I made were direct quotes, and it was my conclusion that the process was—

**Mr. Speaker:** Order, please. This is not a time for debate. The honourable member for Burrows with his supplementary question.

**Mr. Martindale:** Will the Minister of Housing admit that Rotary Pines will not now proceed since it does

not meet the conditions as announced by Manitoba Housing in April of requiring 86 tenants to sign up for the \$30,000 entrance fee by July 1?

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, the process is ongoing. When and if the Rotary Club meets the conditions set down by the Department of Housing, the project will proceed. If they do not meet the conditions, it will not proceed.

**Mr. Martindale:** Why will the minister not follow the conditions for funding as announced by Manitoba Housing communication staff on April 14, 1991? Quote: When they show they can fill the 86 suites we will give them \$20,000 of second-phase funding, since Rotary Pines is advertising that they are only 40 percent occupied and the Manitoba Housing staff have admitted that they already have the further \$20,000 assistance.

**Mr. Ernst:** Mr. Speaker, let me say, first of all, that the member is incorrect in his assertion. PDF funding comes in two phases. The first phase, \$10,000, when they have a 50 percent expression of interest. When they have a 90 percent expression of interest, then they get second phase. They had well in excess of that at 104 signed, paid-up deposits. What we are now in is the process of funding the full \$30,000 commitment that is required from each of the tenants. They are at about 50 percent at the moment and are continuing to market their program. Once that is completed and they have 90 percent of the units fully paid for, then the project will proceed.

### Bill 91 Proclamation

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, a year and a half ago, this government gave its enthusiastic support to Bill 91, our antisniff legislation. Six months ago this Minister of Health said he had to review the matter. Two months ago this Minister of Health said he had to study the enforcement aspects of the legislation. Still nothing, no proclamation and with every month that passes, more and more young lives are being destroyed.

I would like to ask the minister today, before this session concludes: Can the minister tell us the results of his review and his studies and when Bill 91 will be proclaimed into law?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, whether this session ends in the near

future or not, my commitment remains to my honourable friend that, when I receive advice from the legal expertise who are so providing that advice as to whether the existing act is enforceable as written hence will be proclaimed, no need for further discussion. Should, however, the legal opinion uncover difficulties as written, I have indicated and committed to my honourable friend that I will share those concerns with her so that we can take immediate remedial action to make Bill 91 enforceable and appropriate for the goal envisioned when all members of this House passed that legislation, that being legislation which will assist in curtailing the abuse of over-the-counter intoxicating products.

Mr. Speaker, I have not received that opinion to date. My commitment remains to my honourable friend that, when I do, I will share the results with my honourable friend, which will result in either proclamation or a discussion on how we can make the legislation enforceable and appropriate.

**Ms. Wasylycia-Lels:** Mr. Speaker, that is the same line we have heard week after week, month after month from this minister. In the meantime, more and more young people are seeing their lives and health destroyed.

I would like to table, for the minister, some evidence of the damaging impact of this government and this minister's inaction.

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

**Mr. Speaker:** Order, please; order, please. The honourable member for St. Johns, kindly put that down. The honourable member knows that contravenes the rules.

The honourable member for St. Johns, kindly put your question now, please.

**Ms. Wasylycia-Lels:** Yes, Mr. Speaker, I would apologize for anything unparliamentary I have done, but we have tried everything to get the minister's attention, and nothing is working.

**Mr. Speaker:** Question, please.

**Ms. Wasylycia-Lels:** Since what really is out of order is this government's inaction—

**Mr. Speaker:** Order, please. I will remind the honourable -(interjection)- Order, please. I have recognized the honourable member for St. Johns to put her supplementary question. The honourable member, kindly do so now.

**Ms. Wasylycia-Leis:** Will the Minister of Health (Mr. Orchard) agree to join me right after Question Period and observe the 100-or-more Lysol cans that I have outside the House and help me understand—

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

**Mr. Speaker:** Order, please; order, please. I would ask the page to help the honourable member for St. Johns to remove said objects from the Chamber.

The honourable member for St. Johns, with her question.

**Ms. Wasylycia-Leis:** I would simply ask the Minister of Health if he would agree to join me outside the Chamber right after Question Period to observe the serious consequences of inaction on the part of this government when it comes to solvent abuse?

\* (1420)

**Mr. Orchard:** Mr. Speaker, some 18 to 20 months ago, when my honourable friend presented legislation to this House, had my honourable friend taken the due diligence to assure that it was properly written and enforceable before bringing it to the House, had she put that kind of effort—because we had that assurance from my honourable friend when she presented that legislation. That did not exist. Now I am left with the job of—

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

### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** The government was so concerned previously about the rules, I would also point to our rules against reviving debates. This is reviving a debate that occurred two years ago. By the way, it was passed, Mr. Speaker, by this party, this government, as well as all members of the Legislature. The minister supported that bill. We are asking for action on it now.

**Mr. Speaker:** Order, please. The honourable opposition House leader does not have a point of order.

\* \* \*

**Mr. Speaker:** The honourable Minister of Health, to finish his response.

**Mr. Orchard:** Mr. Speaker, I simply say to my honourable friend the member for St. Johns (Ms. Wasylycia-Leis), had she put as much effort into

drafting enforceable legislation as she put into her theatrical display today, children right now would be saved instead of the inactivity that we are forced into because she did not take the time to assure that legislation presented at this House had a chance, and a semblance of enforceability.

### Legal Opinion Request

**Ms. Judy Wasylycia-Leis (St. Johns):** Mr. Speaker, this Minister of Justice (Mr. McCrae), who said on March 1, 1990, we have to have legislation like this—it is a matter that we have—

**Mr. Speaker:** Order, please; order, please. The honourable member for St. Johns, kindly put your question now, please.

**Ms. Wasylycia-Leis:** I would like to ask the Minister of Justice, since he felt that this was good legislation and he had done this study and came with a formed opinion, has he been asked by the Minister of Health for a legal opinion on enforceability, and what advice is this minister giving to this Minister of Health, and when will we see action for children and young people in—

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

**Hon. Donald Orchard (Minister of Health):** As I have indicated to my honourable friend consistently, when the advice is received by myself, I will share that advice with my honourable friend. I hope my honourable friend will put the same kind of diligence into making any corrections that are deemed necessary to make the legislation enforceable. If my honourable friend does not wish to do that, then my honourable friend is more interested in theatrics rather than in resolving problems.

### Free Trade Agreement—Mexico Minister's Support

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, the Mulroney-Reagan Free Trade Agreement is a bad agreement, and it has been hurting Manitobans and indeed all Canadians. Yesterday, Carla Hills once again declared that cultural industries that were supposedly protected in the Mulroney-Reagan Free Trade Agreement are now up for grabs in the new trilateral agreement.

My question is for the Minister of Industry, Trade and Tourism. On July 16, the minister said that his government's support for Mexican free trade

negotiations was dependent upon six conditions, the first of which was that trilateral negotiations would not in any way open up the current Mulroney-Reagan deal. Given that, and given the statements of Carla Hills, will the minister today withdraw his support and that of his government for the trilateral negotiations as he told last week he would do if any of his six conditions were violated?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Just to clarify the government's position, we have indicated that we do not support a Canada-U.S.-Mexico agreement unless the six conditions are met. I did have the opportunity at the Trade ministers' meeting last week to put Manitoba's position clearly on the record.

Mr. Wilson has gone on record in the past as not supporting the opening of the Canada-U.S. agreement as it currently exists. That is certainly the position of the government of Manitoba. We have conveyed that position very clearly. We will continue to do so, and we do not support the opening of that agreement which would lead to the changes in the cultural industry, so our position is very clear. Up till now, Mr. Wilson has indicated that he, as well, supports that position.

**Mrs. Carstairs:** Mr. Speaker, the reality is that the chief negotiator for the United States is saying very clearly that cultural industries are on the table and that they want to open up the Mulroney-Reagan Free Trade Agreement in order to get all the rest that they did not get from us the first time round.

Can the minister tell us today if he has, as a result of Miss Hills' most recent commentary, written to the Minister of Industry at the federal level and told him that Manitoba will have nothing to do with these trilateral negotiations?

**Mr. Stefanson:** Mr. Speaker, immediately after presenting our ministerial statement here in the House, we forwarded a copy of that to the federal government. I had, as I have already indicated, the opportunity not only to present the written text but to present it verbally at the meeting of Trade ministers from across Canada. I could not have been any more clear in terms of outlining the importance of not opening the Canada-U.S. agreement and the importance of the cultural industries to Manitoba and to Canada.

Mr. Wilson, to date, has clearly supported and does support that position. The honourable member has indicated this is a process of

negotiations. The next meetings, I believe, take place in approximately mid-August. August 17, I think, is the date. Clearly, Mr. Wilson will be going to that meeting with his agenda and the agenda of Canada, which will not necessarily agree in every instance with the government of the United States, Mr. Speaker.

**Mrs. Carstairs:** Mr. Speaker, we know what happened to us the last time round. We were outnegotiated. We were outdealed. We now have, in the clearest possible terms, the American negotiator saying our cultural industries are on the table. It is important for this province to give a very clear statement, as of today, that they want nothing whatsoever to do with these trilateral negotiations, and that is not the position of this government. The position of this government is that they will accept it as long as the six conditions are met. One of those six conditions has been violated.

Mr. Speaker, will this minister, in conjunction with the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson), let the minister at the federal level know today that we retract our statement of last week, and we will have nothing whatever to do with these trilateral negotiations?

**Mr. Stefanson:** Mr. Speaker, I am not so sure if the honourable member is having difficulty hearing or comprehending what I am saying, but clearly we have indicated. We have indicated it in this House. We have indicated publicly. They have a copy. The federal government has a copy of our position. I have indicated it verbally to the federal minister responsible for trade for Canada, to other Trade ministers from across Canada what the government's position is. Clearly, it is not that we do not support the opening of the Canada-U.S. agreement, which in part provides for the kind of protection that the honourable member is in fact requesting.

We cannot be any more clear. Our position has also been, Mr. Speaker, that we do not support any agreement. We are not saying we support an agreement "if." We are saying we do not support any agreement unless the six conditions are met. The very first condition is that there is no opening of the Canada-U.S. agreement providing the kinds of protection which the honourable member has outlined here today. I do not see how we can be any more clear on our position than we have been to date.

### Oak Hammock Marsh Mismanagement

**Ms. Marianne Cerlill (Radlsson):** Mr. Speaker, this government is making it clear that old-style politics and out-dated notions of economic development sacrifice the natural environment. Bill 38 and the DU complex at Oak Hammock Marsh illustrate this clearly.

For the first time in eight years, one of the holding cells at Oak Hammock Marsh has been drawn down so the water level goes down. The result of this is that over 200 grebe nests have been destroyed as well as wetland nests for a variety of other birds, including ducks. This holding cell is near the site for the proposed development.

My question for the Minister of Natural Resources is: Did he authorize this poor management in his department? Is he aware of the number of birds that have been destroyed?

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, I am aware that Ducks Unlimited, in conjunction with staff of my department, have managed that resource we refer to as Oak Hammock Marsh so successfully since '74, when they built it, that it is being acclaimed internationally as one of the wildlife management jewels that we should take care to protect.

I am not prepared to acknowledge at all that there has been any mismanagement. I would assume those same management practices that have been exercised today or in this instance have been the ones that have made that wildlife management area so successful.

I am aware, as the Minister of Natural Resources, that all kinds of things happen in a natural state. There are indeed, from time to time, thousands of birds that we lose as a result of outbreaks of botulism at times of drought. There are times that nests are disturbed under natural reasons.

We are simulating natural reasons in drawing down the water shelves. I am not about to take over the management of Oak Hammock Marsh personally.

**Ms. Cerlill:** Mr. Speaker, it is clear that this minister only listens to whom he wants to hear.

I would ask the minister, how can he, as the minister responsible for wildlife, ignore the environmental concerns that have been raised and have been warning us about this? How can he

allow this kind of destruction in wildlife management areas?

\* (1430)

**Mr. Enns:** Mr. Speaker, firstly, let me assure her, I will certainly undertake further investigation of the issue that she raises. In doing so, let me not for a moment acknowledge that this House now starts to become wildlife biologists and manages these kind of wildlife situations on a daily basis, nor does this minister.

We have well-paid, professional wildlife biologists on the staff of the Department of Natural Resources. Ducks Unlimited Canada has professional biologist staff who do their very best, and who, I might say, have done an excellent job, or else why the concern, why the uproar that honourable members have expressed with respect to Oak Hammock Marsh? Oak Hammock Marsh is a tribute to the dedicated work of the professional biologists of Ducks Unlimited Canada and of the Department of Natural Resources.

### Ducks Unlimited Headquarters

**Ms. Marianne Cerlill (Radlsson):** Mr. Speaker, my final supplementary is for the same minister.

Will this minister come to his senses, and will he withdraw Bill 38, move the Ducks Unlimited building out of the marsh and not sacrifice the reputation of his department and the reputation of Ducks Unlimited to fulfill his own interests?

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, never wishing to predict the future, particularly in the business of politics, but knowing that the health of this government is secure, I am convinced that, in the lifetime of this government, we will create at least four more Oak Hammocks: the Grassy River marsh in the Gladstone area; the Turtle River marsh at Dauphin Lake; and in the Rat River area in the southeastern part of the province. There will be four more Oak Hammock Marsh jewels created by this government and by Ducks Unlimited Canada because we care about the environment.

**Mr. Speaker:** The time for Oral Questions has expired.

### Nonpolitical Statement

**Mr. Edward Helwer (Gimli):** Mr. Speaker, do I have leave to make a nonpolitical statement?

**Mr. Speaker:** Does the honourable member for Gimli have leave to make a nonpolitical statement? Leave? It is agreed.

**Mr. Helwer:** Mr. Speaker, next month the Teulon Cardinals will represent Manitoba as the western region entry in the Canadian National Baseball Championships. The Teulon Cardinals earned the right to play in the nationals by first winning the Red-Boine Senior Baseball League featuring teams from Portage la Prairie, Elmwood, St. Boniface and Transcona. Next, Teulon Cardinals went on to win the western region championship in Brandon and next month they will compete in the six-team round-robin tournament, August 22 to 25, in Rimouski, Quebec, for the national crown.

Mr. Speaker, I rise with pride today to congratulate the Teulon Cardinals on their accomplishments. I know that all members will want to join with me in wishing them success as they represent our province and western Canada at the nationals in Quebec.

## ORDERS OF THE DAY

### House Business

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, on House business first of all, I would like to announce that the Standing Committee on Law Amendments will sit at three o'clock to hear Bill 65.

**Mr. Speaker:** I would like to thank the honourable government House leader for that information.

**Mr. Manness:** Also, at this time, Mr. Speaker, I am wondering whether or not there is leave of the House to consider three bills at Report Stage, firstly Bill 59. I do not have the name in front of me, but it is the Workers Compensation bill. The other two, if there is a will of the House, would be the private bills 32 and 66.

**Mr. Speaker:** Is there leave of the House to allow the honourable government House leader to have Report Stage on Bill 59 and also Bill 32 and Bill 67? Is there leave?

**Some Honourable Members:** Leave.

**Mr. Speaker:** Yes, it is agreed.

## REPORT STAGE

### Bill 59—The Workers Compensation Amendment and Consequential Amendments Act

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Labour (Mr. Praznik), that Bill 59, The Workers Compensation Amendment and Consequential Amendments Act, as amended and reported from the Standing Committee on Industrial Relations, be concurred in.

**Mr. Speaker:** It has been moved, by leave, by the honourable government House leader, seconded by the honourable Minister of Labour (Mr. Praznik), that Bill 59, The Workers Compensation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les accidents du travail et diverses dispositions législatives, as amended and reported from the Standing Committee on Industrial Relations, be concurred in. Agreed?

**Some Honourable Members:** No.

**Mr. Speaker:** The question before the House is that Bill 59, The Workers Compensation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les accidents du travail et diverses dispositions législatives, as amended and reported from the Standing Committee on Industrial Relations, be concurred in.

All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the Yeas have it.

**Mr. Steve Ashton (Opposition House Leader):** On division, Mr. Speaker.

**Mr. Speaker:** On division.

### Bill 66—The Winnipeg Canoe Club Incorporation Amendment Act

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I move, seconded by the member for St. Vital (Mrs. Render), that Bill 66, The Winnipeg Canoe Club Incorporation Amendment Act, reported from the Standing Committee on Private Bills, be concurred in.

**Mr. Speaker:** It has been moved, by leave, by the honourable government House leader, seconded

by the honourable member for St. Vital (Mrs. Render), that Bill 66, The Winnipeg Canoe Club Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Winnipeg Canoe Club", reported from the Standing Committee on Private Bills, be concurred in. Agreed? Agreed and so ordered.

### **Bill 32—The Mount Carmel Clinic Amendment Act**

**Ms. Judy Wasylycia-Leis (St. Johns):** Mr. Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that Bill 32, The Mount Carmel Clinic Amendment Act; Loi modifiant la Loi sur la "Mount Carmel Clinic", reported from the Standing Committee on Private Bills, be concurred in.

**Mr. Speaker:** It has been moved, by leave, by the honourable member for St. Johns (Ms. Wasylycia-Leis), seconded by the honourable member for Point Douglas (Mr. Hickes), that Bill 32, The Mount Carmel Clinic Amendment Act; Loi modifiant la Loi sur la "Mount Carmel Clinic", reported from the Standing Committee on Private Bills, be concurred in. Agreed? Agreed and so ordered.

### **House Business**

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I understand I had to ask for leave of the House for the Standing Committee on Law Amendments to sit at the same time as the House. I am wondering whether or not you may ask the House for that leave.

**Mr. Speaker:** Is there leave of the House to allow the committee to stand at the same time?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Yes, to sit. Yes, it is agreed.

**Mr. Manness:** Mr. Speaker, I would also ask you to ask the House whether or not there might be leave to waive private members' hour.

**Mr. Speaker:** Is it the will of the House to waive private members' hour today?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Yes, it is agreed.

**Mr. Manness:** Mr. Speaker, the number of hours remaining in Estimates might cause us to sit past six o'clock for some period of time, a short period of time, I gather. I wonder whether or not there might

be leave of the House to sit beyond six o'clock tonight to conclude the Estimates review.

**Mr. Speaker:** Is it the will of the House to sit past the hour of 6 p.m. in order that we can conclude the Estimates?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** That is agreed? Okay. That is agreed.

**Mr. Manness:** Mr. Speaker, I believe I have covered all the business at hand. I would therefore move, seconded by—

\* (1440)

### **Committee Change**

**Mr. Speaker:** Prior to recognizing the honourable government House leader for his Supply motion, I will recognize the honourable member for Gimli, with committee changes.

**Mr. Edward Helwer (Gimli):** Mr. Speaker, I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Niakwa (Mr. Reimer) for the member for Gimli (Mr. Helwer).

**Mr. Speaker:** Agreed? Agreed and so ordered.

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

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Family Services; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Highways and Transportation, and the Department of Co-operative, Consumer and Corporate Affairs.

### **CONCURRENT COMMITTEES OF SUPPLY**

#### **SUPPLY—FAMILY SERVICES**

**Mr. Deputy Chairman (Marcel Laurendeau):** Order, please. When this committee last sat, we were considering item 3.(a)(1) Salaries \$1,162,300 in Income Security and Regional Operations.



**Mr. Reg Alcock (Osborne):** Mr. Deputy Chairperson, I would like to just ask the minister a few questions about the policies surrounding special needs and exceptional special needs. Can he first just review for me the amounts available in the special needs, how long it has been since they have been at the level they currently are at, and generally what they are to be used for?

**Hon. Harold Gilleshammer (Minister of Family Services):** Mr. Deputy Chairman, just to read you a very brief excerpt here from the brochure on the social allowance programs. Special needs funds are available for essential items not specifically covered by other parts of the social allowance program. These funds are normally limited to \$150 per household in any fiscal year; however, this limit may be exceeded in exceptional cases with special approval. Special needs funds are often used to purchase or repair household items such as appliances, furniture, bedding and school supplies. That amount of \$150 has been there since the early 1960s, I am told.

**Mr. Alcock:** During the last Estimates, the minister had agreed to have a copy of the policy manual for Income Security maintained in the Legislative Library with appropriate updates. Has that been done?

**Mr. Gilleshammer:** I am informed that the Income Security administrative manual has been in the Legislative Library for quite some time. Updates to the manual have been forwarded regularly. The last update was in the spring of 1991. Staff of the Legislative Library have indicated that once preparations are complete, the document will also be placed in the Legislative Library Reading Room, Room 260 of the Legislative Building. I am further told that a former colleague, a former MLA for the constituency of St. Vital, had requested this particular manual and was sent the letter dated May 10, 1989.

\* (1450)

**Mr. Alcock:** Yes, the request though in the Estimates was that one be placed in the Legislative Library to be available to the public. When that was checked last week, I was told that yes, the manual had been indicated as being added to the stacks, but as of yet the material was not available to the public. That was some eight to nine months after the minister had agreed to have it there. In fairness to the minister, the library did indicate that they were

preparing to do so, but it had taken a rather long period of time to get it into a condition that made it easily accessible to the public.

I would like, though, just on the question of special needs, when you talk about expenses that are over and above what would be considered normal expenses, would that include repairs to one's residence?

**Mr. Gilleshammer:** I am told that is done out of another appropriation called minor repairs. Further to the administrative manual, I am told that we checked yesterday and the copy is there, and further, upon request of the honourable critic of the official opposition, forwarded a copy to her on December 11, 1990. Previous to that, a former critic for the opposition requested and received one on March 6, 1990. So these are available, and I am told that there is one upstairs, and staff were informed of that yesterday.

**Mr. Alcock:** With regards to the special needs, if a person then had—in this particular case it is a plumbing repair. The minister is saying that should not come out of the special needs, but that should come out of something called minor repairs. Do I understand the minister correctly?

**Mr. Gilleshammer:** I am informed that is the appropriate process. We have indicated here before and to others that if individual cases want to be addressed, that staff are available to work with individuals. I know from letters that I receive that there are many occasions where the staff have done follow-up on specific cases and provided service to recipients.

**Mr. Alcock:** Has it been the policy in the past for MHRC to claim against recipients' special needs?

**Mr. Gilleshammer:** I am told that is not the case.

**Mr. Alcock:** So can the minister assure me that has never been the case, that MHRC has not claimed for repairs to units occupied by recipients, specific claims for repairs that have been applied against their special needs?

**Mr. Gilleshammer:** We are not aware of any case where that occurred, but if the member is bringing forth the experience of a specific individual who has indicated that, we would be pleased to work with both the critic and the individual to look at the background of that case and find out the voracity of that information.

**Mr. Alcock:** I will bring forward—I think I have got four now—I will bring them forward and we can go through them. I do not need to deal with that just here except with this final question on this. If a recipient of income support had a problem such as a repair to a plumbing fixture or replacement of a door or something like that, then it is the policy of the department that not be taken out of special needs but that come out of some other fund?

**Mr. Gilleshammer:** If the recipient is a homeowner, they can receive support out of the home repairs portion of the program. If the recipient is in rental accommodation, that responsibility would lie with the owner.

**Mr. Alcock:** Would that be true if the owner was MHRC?

**Mr. Gilleshammer:** Yes.

**Mr. Alcock:** So that if MHRC was billing recipients for repairs to their properties, that would clearly be a violation of policy?

**Mr. Gilleshammer:** I am told that staff are not aware of cases where that has happened. If, again, there are specific cases that need some investigation, if the client or the member wants to bring forward the information, we would be happy to check into it.

I point out that across the provinces we do have something in the order of 26,000 cases on average per year. Obviously staff are not conversant with all of the day-to-day problems that clients face, but there may be some misunderstanding, and we would be pleased to be involved to clear that up.

**Mr. Alcock:** Yes, I am much more interested in the policy, and I think the minister has been fairly clear about the policy of the department, which is that recipients should not be charged for repairs to property even if the landlord is MHRC and, if they were charged with repairs, those monies should not come from their special needs. That is really the clarification I was asking for, and I believe the minister has provided it.

**Mr. Gilleshammer:** One of the possibilities, and I guess we are speculating here, is that there may be some damage that occurs to rental property that individuals become responsible for, but there is also a damage deposit, and I would suspect with 26,000 cases that there may be times when the tenant may want to have something repaired that was caused by a member of the family that was a result of willful damage or whatever. So I recognize that there may

be a lot of exceptional circumstances, but basically the policy is indicated in the brochure that is available, and we would be pleased to look at any exceptional circumstances.

**Mr. Alcock:** Okay, well, I will make those cases available. I think also we might involve the Minister of Housing's (Mr. Ernst) office. I have already given some of the information to him because it does involve MHRC. I think we can leave that for now.

Can the minister talk a little bit about the 55-Plus program and what led the department to recommend the changes that have now been implemented?

\* (1500)

**Mr. Gilleshammer:** The 55-Plus program is a program that has been in place in Manitoba since the 1970s. It has a history of sometimes remaining at a constant level. In 1986, I believe, it was indexed, and this particular year a decision was made to maintain it at the current level. In the budget discussions across government, departments were responsible for examining the business they do and the programs they have, and all departments brought forward initiatives that would increase spending. At the same time, we looked at areas where we could spend less across government. Some departments remained at the same level of income as they had in previous years. We have talked earlier in this session about grants in some departments that were cut and done away with.

In the Department of Family Services, in a year where our incomes were flat and we were not accessing new revenue, where we were not prepared to incur a large, large, deficit, as some neighbouring provinces chose, where we have a commitment to maintain taxes at the current level, some difficult decisions had to be made.

All departments were faced with that task. Some departments did more in terms of budgetary controls than this department. In fact, I think I have stated once before, and I will state it again, that we had the largest increase across government with an increase in our budget of 6.9 per cent.

There are many, many demands on this department to expand funding and I think critics can take some responsibility and some credit for bringing to the attention of the department areas that they feel require additional funding. It is easy to find those needs, whether it be in Child and Family Services, whether it be in income support, the rehab

and community living, the student programs for student employment that we talked about this morning. There is no shortage of places to spend money, so in order to increase spending in a number of areas, we also had to look at areas where perhaps we could remain at the same grant level and the same spending level as the previous year.

One of the initiatives was to maintain the expenditures in 55-Plus at the expenditure level of the previous year, and that was announced some time ago. I can recall appearing on a local television show with the critic for the official opposition and others to discuss this, and certainly we have heard from segments of the community that this had a negative impact, and recipients, I think, were faced with the prospect of \$1.60 a month less than what they would have accessed if there had been an indexing.

These are difficult decisions. We wish that we had more flexibility in terms of accessing income, and during a good part of the 1980s when government income was high, there was expansion of programs and expenditures made. In this particular year, with the massive debt charges that we face and the high demand for services and funding, we had to make decisions and one of the decisions was to retain the 55-Plus at last year's level.

**Mr. Alcock:** Mr. Deputy Chairman, I note the reference in the supplement on page 61 to 55-Plus. It is a \$1,110,000 difference from the previous year, with a portion of that indicated to be caseload decreases and a portion of that to be the loss of indexing, or the maintenance of benefits. Can you split that out for me? How does that \$1,110,000 divide?

\* (1510)

**Mr. Gilleshammer:** The reduction is as a result of a lower than anticipated caseload for 1990-91 and an anticipated caseload decrease in 1991-92. I think we talked about this last year, that the caseloads with the elderly who were accessing this seemed to be on the decline, and I think it reflects the other programs that are in place: the Old Age Security, the Guaranteed Income Supplement, the Canada Pension Plan. Both with 55-Plus and CRISP there is a decrease in the number of people accessing the program. As a result, that line is printed at a lower number.

**Mr. Alcock:** Was this decreasing uptake part of the reason why the department chose to use that as an area to reduce expenditures as opposed to some other area? I mean, was there an analysis done that suggested that this would be the least harmful?

**Mr. Gilleshammer:** The research that is available to the department indicates that in recent years there would seem to be a shift in the poverty from the elderly to the single parents and, as a result of the maturing of some of the programs that are available for income support, the uptake with 55-Plus in particular is noticeably down. We are also aware that there was a cost avoidance factor by maintaining the program at last year's levels.

**Mr. Alcock:** I am just interested in how the maturation of income support programs for people who are basically targeted at people 65 and above, how does that have an impact on people 55 and above?

**Mr. Gilleshammer:** The majority of the clients involved in the 55-Plus program are 65 and over.

**Mr. Alcock:** Now I have in the senior component of 55-Plus in '89-90, the last annual report tabled, I have an indication of some 18,000 recipients in what they are calling the senior component. Is that the 65-plus component?

**Mr. Gilleshammer:** Yes.

**Mr. Alcock:** So has there been a steady increase in the junior component?

**Mr. Gilleshammer:** The junior component would reflect some increase, and in the senior component there is a decrease from almost 21,000 in 1986-87 to an estimated uptake of about 15,000 in 1991-92.

**Mr. Alcock:** The question has come up, and it has been discussed several times about the impact of the recession on the need for income support. As other benefits are exhausted, there is a lower capacity to employ people. Has the department noticed any impact on the recipients in the junior portion of the 55-Plus program?

**Mr. Gilleshammer:** There has been some change. I would point out that the 55-Plus is described as an income supplement, and the most demand we have is on Income Maintenance.

**Mr. Alcock:** The minister also made some comments about CRISP. Has there also been a declining demand for CRISP?

**Mr. Gilleshammer:** Yes, there has been a decline in the CRISP caseload as well from a high of almost

9,500 in 1986-87 to an estimated caseload of about 7,500 in 1991-92.

**Mr. Alcock:** In determining benefit levels or supplement levels in 55-Plus, are there levels upon which the people receive the full supplement? Are they indexed? Do they rise each year?

**Mr. Gilleshammer:** They have been in past years; this year they were not.

**Mr. Alcock:** Perhaps, then, we can move on to Regional Operations, and I would like to speak a little bit on the Rehab, adult. I noticed we left children's family services or Children's Special Services open, so perhaps, if the minister would like an opportunity to prepare himself, I would like to ask a few questions around those areas.

First, just on Regional—

**Mr. Gilleshammer:** I am having trouble hearing. You want to deal with Children's Special Services and Rehab and Community Living?

**Mr. Alcock:** I want to talk about Rehab and—I am sorry, I do not have the book open in front of me—particularly the Manitoba Developmental Centre. I would like to do that with the Children's Special Services people available.

**Mr. Gilleshammer:** So we are done with Income Security at this time?

**Mr. Alcock:** With the exception of regional services which is part of that line I notice.

**Mr. Deputy Chairman:** We will just ask the minister to introduce any new staff who are coming forward then at this time.

**Mr. Gilleshammer:** Joining us at the table is Tannis Mindell, the Assistant Deputy Minister for Rehab and Community Living; Steve Bergson, who is the Director at MDC and in Portage; Brian Law, who is Director of Children's Special Services; and, on the end, Bryan McTaggart, Executive Director, Regional Operations.

**Mr. Alcock:** On the provincial and regional operations, did Regional Operations escape entirely the cuts that were made in staffing across government this year?

**Mr. Gilleshammer:** Mr. Deputy Chairman, there were some changes in the regional employment services, and there were some minor changes there which led to a staff reduction.

**Mr. Alcock:** How many positions, or was that a staff?

**Mr. Gilleshammer:** There was a reduction of 10.26 staff in the regional employment services offices in a number of locations across the province.  
\* (1520)

**Mr. Alcock:** Can the minister tell me how many positions in which locations?

**Mr. Gilleshammer:** Yes, I can do that. In the Churchill office there was a reduction of 1.26 staff; in Thompson, there was a reduction of 2; in The Pas, a reduction of 2; at the Limestone office, a reduction of 1; in Dauphin, a reduction of 1; Brandon, a reduction of 1; Teulon, a reduction of 1; and Steinbach, a reduction of 1, giving a total of 10.26 staff.

**Mr. Alcock:** Were any current departmental staff affected by the decentralization?

**Mr. Gilleshammer:** I am sorry, did you say by decentralization?

**Mr. Alcock:** I know there were proposals around certain sections in this department to decentralize staff from the city of Winnipeg to other areas. How many staff were decentralized?

**Mr. Alcock:** The decentralization initiatives within this department have not been completed at this time. There will be some offices that are relocated into rural Manitoba, and in anticipation of that there have been some staffing changes, but the offices that are being decentralized are still in process.

**Mr. Alcock:** So have any staff been moved? Have any staff relocated as of today?

**Mr. Gilleshammer:** There have been staff changes in anticipation of decentralization, and I believe there were three decentralization initiatives indicated from within this department involving CRISP, 55-Plus, and Vital Statistics.

At this time those offices still remain in the city of Winnipeg, but there have been staff who worked within those areas of the department who have taken some transfers or found other employment as part of their decision to remain in the city and, in many cases, to remain within the department or other departments.

The CRISP and 55-Plus are targeted for Killarney and Carberry, and the date at which we anticipate those offices will be operating in those communities is October 1.

**Mr. Alcock:** Mr. Deputy Chairperson, I thank the minister for that information. Moving on to Rehabilitation and Community Living, I would like to

talk a bit about the progress at the Manitoba Developmental Centre. Can the minister tell us what the current population is?

**Mr. Gilleshammer:** Yes, I am informed that the current population is 574.

**Mr. Alcock:** My somewhat failing memory tells me that is a decrease over the previous annual report?

**Mr. Gilleshammer:** Mr. Deputy Chairman, I am told that the last year's Estimates showed 583. The annual report reflects the same number.

**Mr. Alcock:** I thought that was the case. Can I be assured that none of the residents at MDC are children? That is still the case?

**Mr. Gilleshammer:** I am informed that there is one person just about to turn 18 who is at MDC.

**Mr. Alcock:** And how long has that person been a resident at MDC?

**Mr. Gilleshammer:** I am told that this is a long-term resident who has been there by parental choice.

**Mr. Alcock:** Parental choice, in that the parents live nearby and they are more accessible?

**Mr. Gilleshammer:** Yes, I am advised that the parents are from the central region.

**Mr. Alcock:** And there is no more suitable accommodation, group home, foster home, and the like, in the region to accommodate a child rather than placing her with 572 adults?

**Mr. Gilleshammer:** I am told that was the preference of the parents.

**Mr. Alcock:** On the question of the St. Amant Centre then, can the minister tell us currently the total population and the breakdown between adults and children?

\* (1530)

(Mr. Bob Rose, Acting Chairman, in the Chair)

**Mr. Gilleshammer:** The St. Amant Centre, in July of 1991, has a population of 259, that being 117 children and 142 adults.

**Mr. Alcock:** That—again, correct my memory—from the previous period, 117 children and 142 adults? What was it in the last annual report?

**Mr. Gilleshammer:** The most recent annual report, '89-90, showed a population of 257, and the number of children was 133.

**Mr. Alcock:** Adults?

**Mr. Gilleshammer:** The adults would be the difference between 257 and 133.

**Mr. Alcock:** I would just like to maybe ask—well, for the sake of time, let me put it this way. It strikes me that a number of things have occurred over the last number of years that would reflect, or at least appear to reflect, very positively on the activities of the department and the community that chooses to provide support to handicapped individuals. If I understand what these numbers are telling me, as far as the ability to provide services to children, that the department has been quite successful in providing alternative services, that is, alternative to institutional or residential care.

Am I assuming too much to note this decline? If we go back in time at St. Amant, I think we see that the period in time when that institution was almost totally children—although, I think, there always were a few residual adults in there awaiting transfer—to a point now where it is less than 50 percent children. Now does that reflect a decline in the number of handicapped people in the community, or does that reflect a greater ability on the part of the system to respond to the needs of handicapped children?

**Mr. Gilleshammer:** It appears that the number of children accommodated in the community is steadily rising. In 1985-86, there were 783 children in the community. In '86-87, there were 849. Then we can skip ahead to 1990-91 where there were 1,275 and the estimated figure for 1991-92 is 1,305 and at the same time the number of children at St. Amant has declined.

**Mr. Alcock:** Has the increase in adults maintained in the community followed a similar pattern?

**Mr. Gilleshammer:** The number of individuals at MDC has remained relatively constant for the last few years, and we have attempted to accommodate more adults within the community. The ability to set up group homes and accompanying day programs for age-of-majority children and those whom we have the ability to deinstitutionalize is limited, and we are able to increase that by a small amount every year. Our numbers of adults that we are accommodating is on the rise, but very slowly.

**Mr. Alcock:** Is the minister counting St. Amant as a community placement?

**Mr. Gilleshammer:** I am not sure just what you mean, but I was referring to our ability to fund new group homes and new facilities.

**Mr. Alcock:** I thought I understood the minister to end by saying that there had been a small increase in the number of adults being accommodated in the community. He started his comments talking about the decrease in the numbers of people at MDC and then spoke about a relatively small increase in people in the community, and one notes a rather significant increase in the number of adults at St. Amant.

**Mr. Gilleshammer:** I was not referring to the placement of adults or the reaching the age of majority of individuals at St. Amant. I am saying our ability to fund and create group homes in the community has proceeded at a pace slower than I would like to see. Some of these are very expensive. We have provision this year for in the neighborhood of 600 adults in the community in official residences and I believe that is an increase of 25.

Two years ago there were 580 or so, so the ability for us to access new group homes and fund new group homes is a slow process.

**Mr. Alcock:** Am I to infer from that, then, that the tremendous increase in the children accommodated in the community has largely been the result of children being accommodated in foster care?

**Mr. Gilleshammer:** Yes, it would be a combination of foster care and children being accommodated in their own homes.

**Mr. Alcock:** So that figure of 1,275 children that the minister gave us for '90-91 includes children in foster care, presumably some children in small group care and children being supported at home?

**Mr. Gilleshammer:** Mr. Acting Chairman, that is a combination of a number of factors.

**Mr. Alcock:** Of that figure, how many are accommodated in foster care?

**Mr. Gilleshammer:** I am told that the 1,305 that is projected are children accommodated in their own homes. The children accommodated in foster homes show up elsewhere. That number is in a line that we have already passed under the Child and Family Services.

\* (1540)

**Mr. Alcock:** By accommodated in their own homes, we are talking about provision of respite services, day programs and the like then? We are not talking about residential care?

**Mr. Gilleshammer:** That is correct.

**Mr. Alcock:** For someone who has not chosen to place their child who then becomes an adult into the care of the province, either in MDC or in one of the group homes, are the support policies available to them the same as the ones that are available to the people who are parenting children?

**Mr. Gilleshammer:** If they are in care and in group homes, we pay the cost of their accommodation and programming. If they are being maintained in their own homes, we pay some of the costs that are involved in some of the areas that the department can assist in.

**Mr. Alcock:** Mr. Acting Chairman, I am going to raise a specific case name right now because I have been asked to do so by the people involved. This is the Horton family in Brandon. I am sure the Minister is aware of this, because he has written to them just recently. They have for 21 years been caring for their daughter. They have expressed significant frustration at an inability to receive significant respite. The child, now adult, has no day program. Why does a situation like this arise now?

**Mr. Gilleshammer:** Mr. Acting Chairman, I will ask staff in a minute to provide some additional information. Yes, I am aware of the Horton family, and we have corresponded. I know your Leader has corresponded with me in reference to this case. We have the situation where the department has been involved with this family for a number of years, and it is a very difficult situation. Some options have been presented to the Horton family that I believe does not satisfy them.

We have a limited number of group home spaces available. I believe there is a waiting list whereby the department makes certain assessments. I believe that they do access respite and some of the other supports that the department can offer. The department has been in contact with the family on a number of occasions. I think it is fair to say we have not satisfied the demands that the family have of us. The option that has been suggested does not satisfy them. We will continue to work with the family.

We will continue in the years to come to, I am sure, have the ability to access some additional options. We have to be mindful of a process whereby service is identified to people in the area. We have indicated to the family that staff will continue to work with the family. I think rather than go into more specifics in this venue, that I would commit staff to

providing some more specifics outside of this committee room.

**Mr. Alcock:** That is fine. I would appreciate an opportunity to review that with staff.

Mr. Acting Chairman, the final question I have—and maybe I can just preface it so we can deal with it expeditiously—involves the Society for Manitobans with Disabilities and the recent decision. Now there has been some confusion, I believe, about just where particular decisions were made and how they were arrived at. I think after some study, it is fair to say that the department may not be responsible for this.

It is the question of the reduction in funding for the preschool program at SMDI which I understand was a management decision of that organization rather than a government decision, that the government in saying to the agency how much support they had in the coming year had not conveyed to them any indication of how that support should be apportioned, but had simply said this is how much support you are going to have. Then the organization made some decisions about what programs and services it would cut. Is that a fair statement of the circumstances surrounding the decision to reduce support to the preschool?

**Mr. Gilleshammer:** Mr. Acting Chairman, the picture the member draws is largely correct. We have maintained our level of funding to SMD. We are one of the funders. Decisions that relate to program are made by the management and the board of SMD. We indicated to them as early as possible that the funding this department would be providing for SMD would remain at last year's level.

**Mr. Alcock:** The subsequent decision by SMD to reduce support for the preschool program was solely a decision of the management of that organization?

**Mr. Gilleshammer:** That is correct.

**Mr. Alcock:** Has the minister had an opportunity to meet with some of the parents affected by the decision of that management?

**Mr. Gilleshammer:** Yes, I am just trying to remember now. I did meet with some parents in my office. I believe I met them also at the annual meeting. I do not suppose the names are of importance. They talked about programming at SMD and decisions made at SMD and gave information about the type of assistance and programming that was available. We had a goodly

discussion with them. I think I met additional parents at the annual meeting as well. We have discussed that with them and with members of the board.

\* (1550)

**Mr. Alcock:** A final question, did that result in any changes or has management continued to insist that this group not receive the service they were previously receiving?

**Mr. Gilleshammer:** Mr. Acting Chairman, I last received word from them, I believe, in early July. They were making some decisions at that time. I guess I do not feel comfortable indicating decisions they may have made in recent times. Those decisions are clearly the responsibility of the board of directors and the management. I know they were being lobbied, let us say, by some community members to spend more here or less there. I would have to—or the member, I am sure, could contact the board or the executive director to see what changes have taken place.

**Ms. Becky Barrett (Wellington):** Mr. Acting Chair, in the area of Community Living and Vocational Rehabilitation Programs, External Agencies, which is found on page 73 of the supplementary Estimates, the figure for support of the External Agencies is the same for '91-92 as it was last year, '90-91, which is substantially less than the estimated figure, if I am reading my last year's Estimates properly. The figure I have for the Estimates '90-91 for External Agencies under Community Living and Voc Rehab was \$9,228,200 and the Adjusted Vote was just over \$7 million. That figure remains the same for this year's Estimates. It has actually gone down substantially from the '89-90 Estimates, which was almost \$10 million, which was substantially underspent in '89-90. Again the '90-91 Estimates were substantially underspent by over \$2 million, according to my figures. I am wondering if the minister can explain the decline in this amount of money.

**Mr. Gilleshammer:** Yes, I am told that the \$2 million as reflected on page 73 under Financial Assistance, I believe it relates to the Pelican Lake Training Centre. I am not sure if that satisfies the member or not.

**Ms. Barrett:** The honourable member for Wellington is not sure if that satisfies her or not either.

**Mr. Gilleshammer:** Well, we have many, many hours left to look at this, and maybe if you asked the question in a different way we could get you an answer that is more satisfactory.

**Ms. Barrett:** Mr. Acting Chair, I did have a question on the—I am looking now at the Order-in-Council No. 417 of this year, where the \$7,064,300 is allocated to these external agencies, and the sanatorium board of Manitoba Pelican Lake Training Centre, under this Order-in-Council, is given a grant of \$20,000. I wondered about that and wondered if there is another spot where additional funding is given to this agency and if that is what the minister is saying, that that would explain the discrepancy.

**Mr. Gilleshammer:** The majority of the funding flows to the institution through the per diems. I believe that \$20,000 that the member is referencing in an Order-in-Council was for some capital improvements.

**Ms. Barrett:** Mr. Acting Chair, in effect, when I look at the line External Agencies and compare it year over year, actual estimate, the fact that the dollar figure has steadily declined is not something that one should worry about because that money is appearing somewhere else?

**Mr. Gilleshammer:** With the Pelican Lake Training Centre, I can assure the honourable member that we have maintained that at the same level as last year.

**Ms. Barrett:** I appreciate the minister's clarifying that for me.

I do have a series of questions in areas of concern regarding this portion of the Estimates that I would like to spend some time talking with the minister about. Could the minister explain what, if any, follow-up support there is to this supported employment, which I understand is now working for approximately 250 people? Is there follow-up support for that program?

**Mr. Gilleshammer:** Mr. Acting Chairman, the employment programs are offered in a number of different ways. One that I visited was the Sturgeon Creek Enterprises Incorporated. They do some follow-up with the individuals that they place in the job market. I recall visiting with staff, an employee that worked at The Keg on Portage Avenue—and the support staff from Sturgeon Creek Enterprises Incorporated, I believe, visited there once or twice a week to do follow-up as the individual was moving into a more permanent form of employment. It is an

area that I guess I would say is not well served by the supports that are out there, and it is certainly an expanding area in trying to find employment for people who have taken these training programs.

Now I am told that the department has completed its research and has examined options to implement follow-up goods and services on a pilot basis using existing resources. Follow-up goods and services are consistent with the department's direction in vocational and day programming, which suggests a timely and moderate shift from sheltered workshops to supported employment in community-based and integrated worksites.

So this is an area where progress has been somewhat slow, but an area that I think we need to put more financial and human resources into as we have the ability to do so.

**Ms. Barrett:** Is there the possibility of VRDP cost sharing for such programs?

**Mr. Gilleshammer:** Yes, I am told there is.

\* (1600)

**Ms. Barrett:** In the minister's response just preceding this last response, he talked about pilot projects. I am not clear, are there pilot projects underway in the planning stage, or has only research been done on the possibility of some day potentially initiating a pilot project?

**Mr. Gilleshammer:** It is still in the research and planning stage, but it is an area that we wish to proceed with as we are able to.

**Ms. Barrett:** Does the minister have any idea when his department may feel that they are ready to do some pilot projects or access some federal funding?

**Mr. Gilleshammer:** Mr. Acting Chairman, I guess the member is looking for some time lines on when some of these initiatives can be launched. It is a matter of us identifying resources from within that we can spend on initiatives that would be cost shared. I would hope by the time we meet again in the Estimates process that we would be able to report some progress to the member. I can tell you it is an area that is of special interest to me. At the same time, we have to satisfy the many demands that are brought forward by people involved in the system, and by the critics who urge us to spend, spend, spend on a variety of issues.

We can find many vulnerable people who would benefit from program expansion. I do not know whether in the mind of the critic she would have a



list of priorities where she may urge the department to spend, or perhaps areas where she would urge us to discontinue programs so that we can redirect some dollars into helping those who are more vulnerable.

It is an interesting exercise in going through the budget preparation to identify the needs and the dollars and the programs that are out there, but we are aware that there are needs in many areas of this department, and we will address them as we are able to.

We are going to review our priorities for the coming year after we complete the Estimates and do more work on the Community Living area. I have indicated that this is of interest to me, but we have to balance these interests and priorities with the funding levels we have.

I know, while the member has not applauded our 6.9 percent increase in funding in Family Services, I think in her own quiet way she is very pleased that we are able to access that sort of support, and probably before the Estimates are over the critic will recognize that.

**Ms. Barrett:** Mr. Acting Chair, in my own quiet way, I will categorically deny that I am going to recognize that.

Again, I do not want to get into the basic philosophical difference that provides a major gulf between how you perceive your position and how I perceive what I would like to see your position as; but I do think that in this area in particular, in the area of follow-up, it sort of appears to me to be at the other end of the continuum from prevention.

We need to have prevention services; we need to have services that deal with situations that are in a crisis, or are here and now; and it also is important that we have follow-up services so that in the follow-up side we do not lose the positive benefits of the programs that we have put resources into.

I understand—I do not agree with—the minister's basic assumption that there is no more revenue, and we have had this discussion before. I appreciate and applaud the statement that the minister is looking at the priorities and that he does care about these kinds of programs. I look forward to seeing a beginning made in providing follow-up in this area, so that, as I said, we do not lose what we have been able to achieve with these individuals and families.

Also, I think that it is incumbent upon the provincial government in all areas to access as

quickly as possible any existing federal monies because they appear to be decreasing and evaporating quite rapidly, and I would urge the minister to look very carefully at any programs that have the possibility of cost sharing.

Moving on again, I understand there is a Red River Community College development services worker course that is currently available and there is an intake in that program every second year of 25 students. The suggestion has been made that perhaps that development service worker course could happen every year, instead of every second year. Is the minister aware of this program and has he talked to his colleague, the Minister of Education (Mr. Derkach) about the possibility of increasing the uptake in that program?

\* (1610)

**Mr. Gilleshammer:** Just before we get into that, the member indicates that we can increase revenue. I am wondering if her preference would be to increase the deficit or to increase taxes. I would be really interested to know whether she subscribes to the Ontario model of finding additional funding or if she would prefer the increase-in-taxes route.

As far as the program at Red River Community College, I have not personally spoken to the minister about it, nor has anyone that I recall brought to my attention that we need to increase the number of graduates there. It is an emerging area in many ways, and I was very impressed with the staff I met with at Sturgeon Creek Enterprises. I have also visited at Versatech and, as with any service delivery, the more qualified and committed people who are available, the better we will be able to serve the public that we serve.

**Ms. Barrett:** Just very briefly, to respond to the minister's comments about the preferable model that I would follow in generating more revenue—I would just say that time will tell which province comes out of the recession ahead of which other province, and many financial institutions are predicting that the province of Ontario will be far ahead of the province of Manitoba in coming out of this recession. I think, again we will agree to disagree and let events unfold as they will.

I would like to ask the minister another question in this area, if I may. Could he provide us with a regional breakdown of the placements in industry as created by the Voc-Rehab staff, the provincial department staff?

**Mr. Gilleshammer:** We will see here in a minute what statistics we have for you. I would just remind the member that when you drive that deficit up, as we saw in the early '80s, you create that long-term debt. I mentioned that cheque for \$551 million that the Minister of Finance (Mr. Manness) writes out before we are able to provide any services, any programs, any new initiatives, any old programs and old initiatives, and it does impair us from bringing forth new initiatives at a time when it would be good to have those new initiatives. So the short-term gain of the high-deficit spending is going to impact on another government another day in the sister province, and it is going to have a negative impact when that province attempts to bring forth new initiatives in the latter part of the 1990s.

We do not have a breakdown by industry. Perhaps there are some numbers we can share, or maybe we can have the department staff do some further work on that and provide you with those figures another day.

**Ms. Barrett:** Yes, that would be more than adequate. I understand, given the time constraints that these requests are often not able to be handled at the time that they have been asked for.

I wonder if the minister has any information about the numbers of people in the institutions at Ninette and Portage and St. Amant who, if there were community-based programs available for alternate living arrangements, would be able to utilize those alternate living arrangements?

**Mr. Gilleshammer:** The institutions that the member references are all different, and the needs of the children and the adults that we talk about are very different too and, in some cases, there are really high needs and specialized individuals who would require very extensive care.

I do not know whether the member has visited any or all of those institutions. At MDC we have had a transition unit for the last couple of years with I believe 23 individuals involved in the transition unit who possibly could live in the community.

Unfortunately, in the real world that we live in we have to talk about the ability to provide not only the residential facility, but the programming and the supports, and it is a simplistic view that you simply could transfer 23 people from a large institution into the community and transfer the costs with them. Possibly the simplest part of that equation would be the staffing and staffing adjustment but, at the same

time, you do not reduce the very substantial costs in running a large institution like that.

Unfortunately, we have to look at the funding area of it, but there are 23 people who have participated in the transitional unit, and those were deemed at a particular point in time to be the individuals most ready to be deinstitutionalized, if you like, or put into the community.

Now, at the Ninette training centre we have more higher functioning individuals. We have a total of 70 people who reside there. Again, it would take some program expansion in terms of setting up the living accommodations and the day programs for them, but those are probably the individuals with the higher level of functioning.

Now, in looking at St. Amant, there has been a transition from, as the other critic referenced, the number of children to those reaching age of majority there. Many of them are profoundly handicapped, and the expansion of programs for those individuals proceeds on a very, very limited basis. We do have some difficulty in providing the appropriate accommodation and programming for them, and progress there has been very, very slow. I suppose in a perfect world, where we could access the funds we need, we could move much faster. Again, it is important that we keep working at this and trying to find solutions so that we can have more of these individuals living in the community.

**Ms. Barrett:** Yes, I am well aware of at least the major issues involved in the whole concept of deinstitutionalization. I understand that there are groups in the community who are very clear in their perspectives. Those groups do not necessarily always agree, one with the other, on the need for institutionalization, on the range of programming that is available. I guess what I am trying to get at is, what I hear the minister saying is that now there does not appear to be a large number of people in those institutions who, in the minister's view, or in the staff's view, are ready to be deinstitutionalized if resources in the community were available.

I know the minister stated earlier that those community resources were very expensive to put into place, and I know he has talked in this little division about—at least, I am assuming what he was referring to was the need for overlap spending. You just cannot take \$100 and take it out of MDC and put it into a community program. You have to have transition costs, and that \$100 will not completely

transfer. Is this what the minister is saying that, given the situation, there are numerically not very many people from those three institutions who would be ready to participate in the community, and is that one of the reasons why he is not putting additional resources into that?

\* (1620)

**Mr. Gilleshammer:** Until you made the last comment, I was going to substantially agree with you. The individuals who have been placed in the community in past years were certainly ones that were the easiest to place, and that makes some sense. I know, in talking with my colleague in Saskatchewan, he took some pride in being able to move large numbers of individuals from institutional care to community-based care, and it has been quite successful, but that got him down to the 600 or 700 that are more difficult.

I think, in the past, and certainly with the transition unit at MDC, the individuals who were involved in the transition unit were the ones who were deemed to be most ready to live in the community. There would be out of the 70 at the Pelican Lake Training Centre probably 15 or more who would be deemed the most ready out of that group. I do not have similar figures for MDC, but as we move along this path of having individuals move out of institutions and in the community, it becomes progressively more difficult because the ones who are most ready have already been dealt with. It becomes, unfortunately, increasingly more costly as you have to put additional supports into the residential as well as the day programming, and at the same time you are not saving the incremental costs on the institution side that would allow you to do that. So there are problems there, but that will not deter us from making our best effort and attempting to show progress in that area.

One of the other complications, of course, is children as they reach the age of majority and those individuals who are living at home with aging parents who are looking down the road. I have spoken to some of these in my office; they have come to see me and lay out the case that, as they grow older, they wish to have permanent relief from the responsibilities of caring for high-needs youngsters and young adults.

So we have to balance the needs of the clients and the cost of services, but, in principle, we would like to see as many as can be accommodated in the

community. Over and above that there are a variety of individual cases. The critic for the second opposition party raised a specific case, and I tried to answer that in a general way. It is very complex and the department has worked very hard on that, and it is sometimes, I think, the responsibility of opposition MLAs who take their job seriously to analyze and make decisions on specific cases. It can be too easy to take up the cause without a full understanding of the background and the issues and the solutions.

We have other cases where the family, by and large, prefers to look after that child who has grown to an adult, and will do so. The family will do so as long as they can, and in some cases personal care homes will eventually be the resolution of the problem.

So there is such a variety of individual cases. We have families who would prefer that perhaps we pay them wages to care for a child, and we have to be careful in certainly promising and delivering fair treatment to all Manitobans that we do not, in our efforts to resolve individual cases, start making new policy whereby we are going to expand the program because we have accepted some exceptional circumstances in one case. So the resolution of many cases can be very case-specific.

I might just add one other thing while I have the floor and before the member starts her questioning again. I have such a concern over groups who want to start something with one-year funding, or two-year funding, and then not have the solution for year three, four, five and beyond. Often it is too convenient to come back to government and say: Well, we got it started; now you fund it and keep it going. While we try and work as diligently as possible and find those solutions, sometimes we simply do not have the resources to do it.

**Ms. Barrett:** I would like to ask the minister one last question on this particular area about—he talked earlier about the 23 individuals who possibly could live in the community and yet they were in the transition unit at MDC. Then, I believe, he stated that there were approximately 15 individuals in Ninette who were “most ready.” Does the minister have any information about when any or all of those individuals would be able to go into the community? I guess that is the second part of the question.

The first part of the question is, how long have those individuals been in those most ready kinds of

living conditions and, secondly, when might it be anticipated that they could actually move into the community?

**Mr. Gilleshammer:** For the second part of your question, I do not know. We do not have immediate plans in place to do that. It is an area that we continue to work on. The transition unit at MDC has been in place since the Welcome Home Program, and this particular transitional unit, I am told, was started in April of 1988.

**Ms. Barrett:** I would like to ask a couple of questions about people in sheltered workshops and at MDC who are working currently for minimum wage. Actually, I guess, I would like to ask if there are individuals either at MDC and/or in the sheltered workshops who are currently working for minimum wage—less than minimum wage?

**Mr. Gilleshammer:** The answer is yes.

\* (1630)

**Ms. Barrett:** Can the minister explain who authorizes that, under what programs those are developed, and under what regulations?

**Mr. Gilleshammer:** There is an exemption provided under The Labour Relations Act which allows for that.

**Ms. Barrett:** I am wondering if the minister can give a bit of detail on what that exemption states?

**Mr. Gilleshammer:** Is the member asking for a copy of the act or just some clarification of it?

**Ms. Barrett:** No, not a copy of the act, Mr. Acting Chair, but just a clarification of the rationale for the exemption.

**Mr. Gilleshammer:** I am told that this has been a part of that act for a long time, so it has some history behind it. Probably, one could understand why that was put in place and why there is an exemption. In terms of day programming and in terms of providing programs for individuals, it is certainly accepted that if there is work, an activity, that is available for individuals, it can be beneficial.

By the same token, I expect, in some of the workshops that I have seen and some of the work experience that I have seen, the job market is not prepared to pay full salaries to people who are trained to do certain types of work.

We are sort of caught, I suppose, on the horns of a dilemma here to access some aspects of the job market. There either has to be some form of

subsidies, or there will have to be the opportunity for employers to pay less money.

**Ms. Barrett:** I think horns of a dilemma is probably not an overstatement about the concern here. Is the minister aware of any concerns that have been raised by groups or individuals about the possible exploitation of individuals who are working under these conditions?

**Mr. Gilleshammer:** We are aware that there are concerns, and the rationale for the wage exemption is that a number of these handicapped people would not have any acts as to employment if there was not a reduced wage level. I mean, that is the dilemma that we are faced with, and we have to work with the Department of Labour in looking at that.

That exemption, I think, has been in place for some time. If you try to remedy that exemption in what might be a spirit of fair play, you might also do away with the employment opportunities that are there for many of these individuals, so more work has to be done on that with the Department of Labour and our department. I am not sure there is a ready solution, and you have to weigh what is more important in making that decision.

**Ms. Barrett:** I am certainly the last person to say that there is a ready solution to the problem. I would suggest, however, the first step is identifying that there is a problem. The second step is commitment to trying to come up with a solution and then working toward that.

It appears that the government has at least taken the first step of recognizing there is a problem, and I hope that the later steps follow along. The argument that these individuals would not have access to employment if there were not a reduced wage level sounds very similar to the argument used to try and put into place reduced minimum wage for youth.

I do not like either argument, and I understand the financial restraints that the current situation finds itself in, but I would hope that the government makes some effort to stop this situation, if at all possible. I do believe there is, at the very least, the opportunity if not the actuality of exploitation of these individuals, so I want to just bring that to the minister's attention.

I have a final question in this area, for the final set of questions. I assume there will be more than one. I would like to know what the status is of the Working Group on Community Living.

**Mr. Gilleshammer:** Mr. Acting Chairman, just in reference to previous comments, what you are saying is you recognize there is a problem, that you do not have the solution but you would like us to fix it. I say that quite honestly. If I have that wrong, maybe you could correct me but there is a dilemma there, and I thought the member indicated that she did not have the solution but that she would like to have it fixed.

I would also point out that the supported employment places people in real jobs at a minimum wage. I do not know if the deputy critic from the official opposition wants to make comment on that but we have a dilemma, and if there were solutions, we would be pleased to hear from you on that. I think it is important that we make every attempt to move in the direction of supported employment as an option because then we can get away from that dispensation that we have under the Labour Act, if in fact we can move quickly in that area, but I do not think we can. So we have to continue to struggle with that and try to find the solutions. Again, if the member has ideas that she would like to put forward, we would be pleased to work with her on that.

I believe the question had to do with the Working Group on Community Living. They are nearing the end of their work and recently provided a submission to the human resources committee of cabinet and have brought some proposals forward to government that we will be looking at in the near future. The presentation was an extremely interesting one. There are suggestions in there, I believe a suggestion for a pilot project that we will have to try to focus on and see if it is something that is achievable. It did bring together a number of Manitobans from across the spectrum of service providers and people involved with individuals who access support from this area of the department. We are at that stage now where there is an initial report and it has been brought to government and we will be looking at it in the coming months.

**Ms. Barrett:** Is this the final report of the working group?

**Mr. Gilleshammer:** That is correct.

**Ms. Barrett:** It has gone to the human resources committee of cabinet. Is that the only presentation to cabinet? Does it then go into the department for whatever will happen to it then?

**Mr. Gilleshammer:** Yes, it is something that now comes to the department. We just had that

presentation in early July and as we have been very busy within the department getting ready for Estimates and so forth, we do not have sort of an analysis of it yet, but it is something that—it is one of the challenges that is before the department in the coming months, and we will be making a response in due course.

\* (1640)

**Ms. Barrett:** I would be interested to hear what that response will be. Will the government be making comments on the recommendation—I do not know what the report, even the format looks like, but I am assuming there is a series of recommendations. Will the government be saying, yes, we approve Recommendation 1 and we will start right on it and, no, we cannot do that right now to the recommendations? Also, will the report be made public at any point in time?

**Mr. Gilleshammer:** I guess I do not have an answer for the member. We have just barely received it. I am not even sure the department has had a chance to review it at this point. It is some very important work done by this working group on community living. We will be taking forward to some initiative from their recommendations. As soon as we have made decisions on it we would be making some announcement to the community, because there was community input and community work done on the report. Certainly the expectation is that government will look at the recommendations and come forward with something.

**Ms. Barrett:** Mr. Acting Chair, I am certainly not trying to suggest that the government should have a statement immediately, especially since the government has not had a chance to look at the report in depth. I would like to ask the question again. At some point, will the report be made public in its entirety?

**Mr. Gilleshammer:** I would reserve comment on that until we have a chance to take an in-depth look at it. We were presented with it I think something like two weeks ago in a committee meeting. There were excerpts of it used in the presentation. I think we would have to take a more thorough look at the report before making that decision.

**Ms. Barrett:** There is the possibility that this report, which has been months in the making, may never see the light of day, so the public at large might not have the opportunity to take a look at the report and measure the government's reactions in light of what

the public, both the interested parties, the significantly interested parties to this area and also the public at large may not have a chance to say, yes, the government has done a reasonably good job in trying to address some of these issues and here are other issues where the government still needs some additional support and encouragement from the community.

Many of the reports that come to government are made public, and the recommendations are available, so we all can look at them in light of actions and in light of changing circumstances, which we all agree is a part of our late 20th Century North American context. I think it is important that these kinds of recommendations, these kinds of reports are best utilized when they are made available to the public.

**Mr. Gilleshammer:** I would give serious consideration to the comments of the member.

**Ms. Barrett:** Mr. Acting Chair, I would like to leave a fair bit of time for the critics to discuss the Minister's Salary and to make closing comments. I have lots of other questions, but I will not take any more time in this area.

I would like to ask a question, however if I may, under the Family Dispute Services section, if that is deemed to be in order.

**The Acting Chairman (Mr. Rose):** The honourable minister, is that agreeable?

**Mr. Gilleshammer:** Yes, we will just take a few minutes to change some of the staff here and proceed with that.

(Mr. Deputy Chairman in the Chair)

**Ms. Barrett:** In a procedural matter while the staff is being changed, I am wondering if it would be acceptable to the minister to pass all of the items with the exception of the Minister's Salary, once I have finished with my brief comments on this section, if the other critic has no other questions. Is that procedure, or do we wait and do the whole thing at the very end?

**Mr. Gilleshammer:** There may be other questions, and we can leave the option open and proceed with the passing of the lines at a later stage.

**Mr. Deputy Chairman:** I just wanted to remind the honourable member that, when we do the Minister's Salary, there will be no staff at the table in case there are any further questions being brought forward.

Is there any new staff to be introduced, Mr. Minister?

**Mr. Gilleshammer:** Yes, Mr. Deputy Chairman, I would introduce Janet Wikstrom, the acting director of Family Dispute Services.

**Ms. Barrett:** Mr. Deputy Chair, a fair bit of time was spent in the last Estimates process on the Family Dispute section of the Estimates. While I would like to spend much more time on this division, I understand the time constraints that we are under. One of the major concerns that I raised, and certainly people in this division who are providing services under the Family Dispute Services category had last year and, I believe, still continue to have, is the funding formula for shelters.

There was serious concern raised, and we discussed at fairly great length some of those concerns that were raised last fall dealing with the inadequacy of the per diems and the over-reliance on the per diems as opposed to going to more of a global operating grant that recognized the need for shelters to be adequately staffed 24 hours a day, seven days a week.

I note in the minister's opening comments that he does mention that the government is finalizing the review of funding models for wife abuse shelters. I am wondering if the minister can give us an update on that review of funding models.

**Mr. Gilleshammer:** Yes, I can provide you with some information. The funding that exists for the shelters consists of the core funding for operating purposes and the per diem allowances which provide for volume increases. We have a variety of shelters in terms of size throughout the province. I would say that we have increased funding to shelters quite substantially over the years that we have been in government, the last three years. I believe the budget line for the shelters now is in the neighbourhood of \$3 million. It appears that all of the shelters, 11 of them, and the other services are being funded from this budget line of some \$3 million. Because of the variance in the size of the shelters, it appears that the funding model that is in place better serves the larger shelters. Given the resources that we have in this budget, staff with input from other sources are attempting to review the finances that are available for the funding of shelters and to come up with a solution within those funding levels which will serve all levels or all sizes of shelters.

\* (1650)

The department is very diligently working on that and have come forth with a number of proposals to try and address that need. Of course, the variable is the use of those shelters. It appears that in urban areas, there is an increased use of the wife abuse shelters and services. In some of the smaller rural ones, we have some difficulty with the funding model in that in their attempts to be open 24 hours a day and enhancing the staffing levels, it drives up the cost over and above the core funding and over and above the per diem funding that they are able to access.

So we have this dilemma in trying to use the funding that is available to resolve the funding issues with shelters that are of various sizes and access different volumes of business. The shelter boards and management will continue to struggle with this issue, particularly in terms of how much staffing and programming can you have in place when a shelter may be virtually empty. I know one of the ones that we were involved in doing an audit on went through a period of three weeks where no one accessed the shelter and at the same time staffing was being increased. That is the kind of management decision that boards and their staff have to, in fact, make.

We think we can be of some assistance in looking at some flexibility in the funding model because it appears that sufficient funding is available and some of them are operating at a surplus. At the same time, there are others that are operating at a deficit, so we have not completely resolved the issue of funding yet, but the department is working very diligently on it.

**Ms. Barrett:** I appreciate the minister's comments and I will await Hansard, but my understanding of what I heard the minister say is very similar to the issues that he brought up last fall, so I am not seeing a huge amount of progress in the minister's education in this regard. I look forward to an announcement shortly about the funding issue being hopefully resolved to everyone's satisfaction.

**Mr. Gilleshammer:** There is considerable work being done on that, and we have to again balance the funding between the various sizes of shelters. There are a number of variables that we look at, and staff is working with the shelter directors to be able to put in place a model that satisfies all of them.

**Mr. Barrett:** At this point, in the interests of time and because we have the Minister's Salary yet to deal with, I would suggest, and I believe my colleague the member for Osborne is in agreement, that we would be prepared to pass the Estimates with the exception of the Minister's Salary at this point.

**Mr. Deputy Chairman:** Item 3. Income Security and Regional Operations (a) Central Directorate: (1) Salaries \$1,162,300—pass; (2) Other Expenditures \$670,900—pass.

3.(b) Income Maintenance Programs: (1) Social Allowances \$209,743,000—pass; (2) Health Services \$13,365,300—pass; (3) Municipal Assistance \$56,612,300—pass.

3.(c) Income Supplement Programs: (1) Salaries \$688,600—pass; (2) Other Expenditures \$203,100—pass; (3) Financial Assistance \$13,290,000—pass.

3.(d) Regional Operations: (1) Salaries \$20,123,900—pass; (2) Other Expenditures \$4,480,900—pass.

Resolution 45: RESOLVED that there be granted to Her Majesty a sum not exceeding \$320,340,300 for Family Services for the fiscal year ending the 31st day of March, 1992—pass.

Item 5. Rehabilitation and Community Living (a) Administration: (1) Salaries \$673,600—pass; (2) Other Expenditures \$209,300—pass.

5.(b) Community Living and Vocational Rehabilitation Programs: (1) Salaries \$882,800—pass; (2) Other Expenditures \$393,300—pass; (3) Financial Assistance \$31,126,300—pass; (4) External Agencies \$7,064,000—pass.

5.(c) Manitoba Developmental Centre: (1) Salaries \$19,617,800—pass; (2) Other Expenditures \$2,958,600—pass.

5.(d) Special Employment Programs: (1) Branch Operations \$812,900—pass; (2) Youth Programs \$3,478,800—pass; (3) Human Resources Opportunity Program \$6,204,800—pass; (4) Employability Enhancement \$4,956,600—pass.

Resolution 47: RESOLVED that there be granted to Her Majesty a sum not exceeding \$78,378,800 for Family Services (Rehabilitation and Community Living) for the fiscal year ending the 31st day of March, 1992—pass.

\* (1700)

Appropriation 6. Child and Family Services (c) Seven Oaks Youth Centre: (1) Salaries \$1,662,600—pass; (2) Other Expenditures \$282,100—pass.

6.(d) Family Conciliation: (1) Salaries \$673,800—pass; (2) Other Expenditures \$103,300—pass.

6.(e) Family Dispute Services: (1) Salaries \$461,600—pass; (2) Other Expenditures \$109,400—pass; (3) External Agencies \$3,219,600—pass.

6.(f) Children's Special Services: (1) Salaries \$259,800—pass; (2) Other Expenditures \$89,900—pass; (3) Financial Assistance and External Agencies \$19,854,300—pass.

Resolution 48: RESOLVED that there be granted to Her Majesty a sum not exceeding \$119,901,900 for Family Services (Child and Family Services) for the fiscal year ending the 31st day of March, 1992—pass.

The last item to be considered for the Estimates of the Department of Family Services is item 1.(a) Minister's Salary \$20,600. At this point, we request that the minister's staff leave.

Item 1.(a) Minister's Salary. Shall the item pass?

**Ms. Barrett:** I would like to move an amendment.

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

**Ms. Barrett:** What a surprise.

I move, seconded by the honourable member for Radisson (Ms. Cerilli), that item 1.(a) Minister's Salary in the Estimates of the Department of Family Services be reduced by 50 percent to \$10,300 to reflect the loss of volunteers with the Child and Family Services Agencies of Winnipeg, due to the creation of the new super agency by the minister.

**Motion presented.**

**Mr. Deputy Chairman:** At this time I would like to advise the mover of the motion, if she were to remove the lines: "to reflect the loss of volunteers with Child and Family Services Agencies in Winnipeg" from the motion, it would be in order, because Citation 951 in Beauchesne, page 261, states: "It is not allowable to attach a condition or an expression of opinion to a Vote or to change the destination of a grant."

### Point of Order

**Mr. Steve Ashton (Opposition House Leader)**

Mr. Deputy Chairperson, on a point of order. It has been standard practice in the House to do that. We have had various resolutions that have been accepted in this session, many previously. While indeed that may be the rule in the House of Commons, the practice here has been not to disallow motions in that regard. Whether it might be cleaner technically, there have been many resolutions that have done that, including resolutions in the last several sessions.

I appreciate the advice in that regard, but it is not the tradition of this House to rule such motions out of order that are technically correct in every other way.

**Mr. Deputy Chairman:** I would like to thank the honourable member for his advice, but there have been some ruled out of order and it has been inconsistent within the House. I would rule this out of order unless those lines were removed from this motion.

If the honourable member would like to remove that from this motion, I will rule it in order.

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**Mr. Deputy Chairman:** At this time I would like to read the motion as proposed by the honourable member for Wellington (Ms. Barrett).

It has been moved by the honourable member for Wellington, seconded by the honourable member for Radisson (Ms. Cerilli), that item 1.(a) the Minister's Salary in the Estimates of the Department of Family Services be reduced by 50 percent to \$10,300.

Is there any debate on the motion?

**Mr. Gilleshammer:** Mr. Deputy Chairman, I appreciate the opportunity to discuss our budget and to put a few comments on the record at this time and have an opportunity to reflect on some of the decisions that have been made in government and decisions that have been made within this department and give members a more thorough understanding of the background and some of the very positive initiatives that have been undertaken within the department. I regret that we have only had 15 hours to discuss these Estimates this time. The last time, I believe we were able to access some 45 hours in terms of being able to go line by line.



This time, we were able to sort of go on some issues rather than line by line, and it is unfortunate that more time was not made available for us to have that in-depth discussion.

I do not know whether it is because opposition members did not feel the importance and significance of the Department of Family Services that they chose to reserve it to the final hours of the Estimates. I would hope in future years that perhaps we could be considered first and have a better chance. I know there are House leaders here who were involved in that decision making, and I think it probably does reflect the importance or the significance that opposition members put on the Department of Family Services.

At any rate, we have had some brief time together, yesterday and today, to analyze portions of the budget as it reflects on Family Services. I think it is important that we look at it in the context of the entire government. I would just spend some time today going over our particular department and the various segments of it, and show where we have been able to give increases.

\* (1710)

I have challenged members before who consistently want us to spend more money in a variety of ways. There has been a rather begrudging acknowledgment that we did receive the largest increase in funding across government this past year. I see there are many members of the opposition here from time to time who have special interests and wish to have funding for certain support programs enhanced. I have challenged critics to tell me where we should find the extra money.

We talked earlier today about the sister province of Ontario and their decision to go to a \$10-billion deficit, and I am led to believe by the official critic of the official opposition that this is the route that individuals in this House of a similar bent would follow should they ever again become government. We already have to live with a tremendous provincial debt that has to be serviced every year, and I believe the deficit figure this year is in excess of \$550 million.

If the official opposition were in a position to make those decisions, they would have a similar type of deficit in this province and further drive up the debt, which so impairs government not only in the short run, but most assuredly in the long run. In the long

run when we get to a point where we are looking at enhancing existing programs and embarking on new initiatives, that ability to do so simply is not there. It concerns me that before we make any other expenditures in this province, we have to service that long-term debt, and I believe it is to the tune of \$550 million at this time. If that debt was not there, we could satisfy the member for Burrows (Mr. Martindale), I am sure, by enhancing the social allowances program. We could enhance the daycare, where we already have the best program in North America, by introducing new funding and new resources in that area.

I am a little concerned that critics, when they bring forward their ideas of additional spending, never really want to identify where we would find those additional resources. I believe they are committed to higher taxes. We are still living with the tax regime that was put in place by the previous government which makes it very, very difficult to sometimes attract the sort of development within the province that we would like to see because of the payroll tax, because of other taxes and a very high income tax.

I have listened very carefully and very politely to my honourable friend from Wellington. I know she is going to provide me with the same courtesy, because she has a fundamental interest in this department that I think is very sincere. While we do not always agree on things, I have always left the door open to learn more from her, and I am sure she would offer me the same opportunity.

With that introduction, I would like to get into some closing remarks and talk about the approach we have taken to the budget and to reflect on some of the decisions that have been made and some of the areas of budget where I think opposition members maybe have a particular interest.

First of all, I would say that our government has taken a responsible approach to the entire budget exercise. With a zero-percent growth in revenue we have had to take a hard look at our spending. We have set priorities. We have closely examined whether there are better or more efficient ways of achieving results.

Are there alternate or innovative means of delivery that can provide better and more efficient services to Manitobans? I think that even within the existing resources we have to challenge

departments to spend those resources wisely and look at more efficient ways of delivering service.

The Department of Family Services is rising to that challenge and coming forward with innovative ideas. I dare say, in listening to the critics, on occasion there is a good idea that comes forward, that we can incorporate a part of that into our thinking within the department. When we are in a position to make changes or perhaps in our budget preparations for next year—and we have talked about that earlier. During the fall months, the department again will be turning its attention to the creation of the budget for the next year.

This government is looking at innovative service delivery to ensure that a larger portion of tax dollars go to actual services instead of administrative overhead. I think this is a challenge that all departments face. Administration is put in place as programs develop over the years, and often when programs change or programs are downsized, the administrative component continues to increase and have a large draw on the resources that are available within that particular department. The challenge to all departments is to look at administrative overhead and to try and direct administrative dollars into the provision of service.

As government, we inherited a legacy of debt, of spending out of control. The result is that before one tax dollar is spent on any services and programs, we must pay that \$550 million just to pay the interest on past borrowings.

Again I have to repeat that I am somewhat alarmed at comments made by one of the critics today who indicated that they would follow the Ontario example, that example of driving up the deficit year after year to the point where government would be faced, as we reach the latter point of the 1990s and the year 2000, instead of \$550 million, we would be paying double that. Again (interjection)- Well, again I would ask for the support of the critic from the official opposition, who wants to intervene and have her thoughts put forward, and I would hope that she would allow me to finish.

So, it is only after we pay the interest on the debt that we are able to fund real spending priorities of this government, and I repeat again that Family Services has been the No. 1 priority of this government, that while other departments were with some difficulty accessing small degrees of

increases in their budgets, Family Services in fact accessed the largest increase across government, an increase of 6.9 percent.

Now the challenge of limited tax dollars is one facing governments across the country, and for this government there were difficult and necessary decisions to be made, but our government has taken up the challenge to ensure that our limited tax dollars are spent on the highest priorities.

\* (1720)

Again, I say to you that other provinces have taken a different approach, that other provinces have decided to embark on a tremendous deficit in this fiscal year, again a deficit that is going to result in higher taxes in future years and to future generations. I say to you that is not the responsible approach; that is using resources which should be dedicated for programs in future years and using them now. There is a shortsightedness to that manner of budgeting that I think is apparent to us in Manitoba and will become apparent to our neighbours to the east as they year after year go into large deficit financing. I believe their projection was that only slowly and eventually would they bring that deficit down to the point, after four years of government, there would be an increase of \$36 billion to the deficit of that province.

We did not make that choice; we are holding taxes down and we are holding the deficit down, and the good planning that took place over the last couple of years has allowed us the position where we could keep the deficit down this year.

The member for Inkster (Mr. Lamoureux) in making comments about that, I recall his wanting to contribute by reducing the grant funding for cultural groups, and I sense that he has caught this philosophy that we must keep the deficit down. Even though his inspiration that day was somewhat misguided, I take some heart from the fact that he does, I believe, see the necessity to put some curbs on spending. So he has come part way in understanding that government has limitations, and I think if we can direct his thinking a little more to look at more appropriate ways of doing that, he will make a very significant and responsible contribution to the Legislature in the coming years that he is here. (interjection)-

The member does have high aspirations, and there is nothing wrong with that because I suspect that we all have to have our dreams and our visions

and those are the things that motivate us. I am sure he is young enough that a lot of things are possible before his working years are over.

That is sort of a few comments on the overall budget and I would like to now maybe focus more on the general departmental spendings. I reiterate that I am pleased that this government has placed a priority on providing services to vulnerable children in the families of Manitoba. I think that is a priority that is shared within our caucus and our cabinet and I have felt the support of fellow colleagues in making the tough decisions that have had to be made which allows Family Services to enhance their budget to the degree of 6.9 percent.

So Family Services has received this high increase in spending and while our government held overall spending to 3.2 percent, this department has in fact received 6.9 percent. That is an increase of close to \$37 million, bringing the budget of this department to more than \$571 million. Only two departments, by the way, are accessing funds in spending at a higher level than that, that being the Department of Health and the Department of Education. We should also include the Department of Finance because I do not think we can say often enough that that deficit that was created, that long-term debt that was created is something that simply does not go away. I suspect in the minds of some, and in the magic they weave, that they believe someday that debt will disappear, but those are obligations we must face up to.

Again, clearly government has made a priority of departments that provide services to people: Health, Education, and Family Services. That funding goes to programs delivered or funded by this department. This department, I think, touches the lives of literally thousands and thousands of Manitobans from the social assistance recipient to the family accessing day care, to children in foster families, to women leaving abusive relationships, to individuals with mental handicaps striving to live as independently as possible.

That is an overview of the areas of the department and we did have some brief time here today and yesterday to look at those departments. I would hope that time will be made somewhere where we can look at those in more depth. As I said earlier, some of these services are delivered by department staff, a great many others are delivered by outside agencies, more than 200 in all, who in total receive more than \$127 million in provincial funding to

provide service. So the outside agencies that interact with this government access \$127 million and in this year of limited revenues where there has been limited growth and perhaps no growth at all, we have maintained within our budget the grant funding at last year's levels.

Where other departments, I think, have had to take a very critical look at the funding they do and the groups that they fund, and in some case make adjustments and in some cases not have the ability to continue funding, we have been able to maintain funding for those groups at last year's levels and we recognize that there is some difficulty within those organizations where they have had to make some adjustments, but in fact we have been able to maintain that funding. So \$127 million, which is over 20 percent of the funding available in this department, goes to these 200 outside agencies who provide services across the length and breadth of this province to children and families who need assistance.

Now the challenge of strengthening and supporting Manitoba families must be met with more than additional dollars. I have said to opposition members as we have looked at the Child and Family Services agencies, where there is a recognition that there were problems that had to be addressed, the one solution that I heard from opposition critics time and time and time again is simply spend more money. Even with the increase—well, the deputy critic of Family Services in the opposition party wants to ask a question and, unfortunately, it is not appropriate at this time.

The solution that came forward many, many times was simply to spend more money. I will get into the Family Services initiative a little later if time permits, but I think that it is important that we take the time to look at structures and do structural reform from time to time, that it is too simplistic to simply say, add more money.

I know that in the vision of the official opposition party that there is a bottomless pit there, either through increasing that provincial deficit or increasing taxes. The official critic indicated that today, that the Ontario model is one that the NDP party in Manitoba would favour, and that they would increase that deficit to access the funding to provide additional funding for whatever.

Now the funding that goes to programs delivered or funded by Family Services is very important.

This department touches the lives of thousands of Manitobans in all of these areas of the department that I have referenced. The challenge then for strengthening and supporting Manitoba families must be met with more than these additional dollars.

\* (1730)

Over the past nine months—and I would like to just for a moment reflect on the past nine months—I have talked with service providers, advocates of families and children in the system, and interested individuals in the community. We have had rather wide-ranging discussions, both within the city of Winnipeg and out in greater Manitoba, as well. Even though the population in rural Manitoba is dwindling and some suspect, perhaps, that there is some difficulty in providing input into decision making and understanding complex government problems, I had no hesitation to consult and to listen to rural Manitobans as we make decisions within this department.

So over these past nine months, we have talked to many of these individuals and community groups, and a common theme of those discussions was a recognition that government is dealing with limited resources. I say to you that recognition within the province of Manitoba is there. It is there when you talk to people in the coffee shops, you talk to the service clubs, talk to the average Manitoban; and there is a recognition that there are limited resources. I think Manitoba is being held up as a model that other governments in other provinces are asked to study and to emulate, that this is a government that is concerned with keeping taxes down and also with providing those services within the resources that are available. Even though there are opposition members who have not recognized these limited resources, and their manner of accessing more resources is through direct taxation or increasing the deficit, that is not a direction that we as government have chosen to go or will be going.

There is also a recognition that government, service providers and the community must work together to examine how services are being provided and whether there are better ways to provide and fund that service. So it is simply not a case of constantly adding more dollars. We also have to be cognizant that it is time to examine the ways in which we do business and to evaluate and constantly re-evaluate the programs that we have and the manner in which we spend those dollars.

Now during this Estimates exercise, we have looked at the changes in this budget, all ensuring that our tax dollars are targeted to the most vulnerable, to priority programs and that these programs can be enhanced and maintained.

I would like to look at some of the budget highlights that are within the Department of Family Services. For instance, the budget for our Income Maintenance Programs has increased by \$30 million, or 12.2 percent. Well, the critic has constantly said, job creation, and she fills that vision out by reflecting on job creation in the past where it was make-work projects, where the jobs were not sustainable, where the jobs were not always meaningful and where the price for that previous program is being paid today. The price for that program is going to be paid in future years and by future generations. I think there needs to be a better understanding of the cost of those programs. The department has provided some more millions of dollars for the income maintenance.

Now, at the same time, we have tightened administrative measures to ensure that the tax dollars spent in this area are targeted to those most in need. The—

**Mr. Deputy Chairman:** Order, please. Let us have a little order while the minister is giving his presentation.

**Mr. Gilleshammer:** I am not sure that everyone heard those last comments. Maybe I will just highlight those again. Within Income Maintenance, we have increased that budget by \$30 million, or 12.2 percent. Well, okay, I will proceed with the next area then. So we wanted to target these tax dollars to those most in need. I will move to another area. The budget for our Child and Family Services division has increased by close to \$9 million, or 8 percent. Again, these increases are substantial.

Again, we have also undertaken initiatives to improve services in order to provide a more co-ordinated approach to serving vulnerable children and families. We have restructured the administration of the six Winnipeg-based Child and Family Services agencies under one agency. We have kept what worked in the old system: the community-based delivery of service. We have had some opportunity to discuss that and I appreciate being able to re-emphasize this. At the same time, we will also be consolidating and streamlining the administration to bring a stronger focus to

standards, to quality and support for the social worker in the field.

Again, I am cognizant of the fact that when we have looked at the delivery of services for Child and Family Services within this province, there has been a recognition by critics that there were problems. The recognition of problems was recognized before and was recognized here in the last few days. Now, the one solution that they had was to deal solely by dumping more dollars into it. Nobody but government has talked about enhancing service and the changes that need to be made in service. Opposition critics have talked about process, they have talked about dumping more money into the system, but they have not recognized the need to change and enhance services for these vulnerable children and families that we serve here in the city of Winnipeg.

This is the first step in our plans to improve services to children and families across our province. In the area of daycare, we have again provided for increased spending during this time of zero growth in provincial revenue, and again we have undertaken restructuring to ensure our resources go to those Manitoba families that can least afford daycare. The Rehabilitation and Community Living Division has also received an increase in support of its program. This increase will allow more Manitobans with mental handicaps to access both residential and day programs, and across this department we have taken a careful look at how we can best allocate tax dollars in support of the many programs and services for children and families across Manitoba.

We have listened very carefully to opposition critics, critics who want to improve services, and I honestly believe that in many areas. I do not think there has been the recognition of the tremendous costs that will be involved in making the type of progress that I would like to see as minister, and I am sure that groups within the community and members of the Legislature would like to see. Probably the area that deserves the most attention in our next budget and the most attention that this minister and this government can pay is the whole area of rehabilitation and community living. We had only a brief opportunity today to look at that and in fact we never did get into the line-by-line discussion of that particular—

**Mr. Deputy Chairman:** Order, please. At this time I would like to advise the minister he has used up

his 30 minutes. Is there any further debate on the motion?

\* (1740)

**Hon. Donald Orchard (Minister of Health):** Mr. Deputy Chairman, I have listened with diligence here over the last couple of days and in Question Period, and I find it astounding, absolutely astounding, that the members of at least one of the official opposition parties would make such a motion, because in the presence of this minister and in the person of this minister, Manitoba is exceedingly well served with a minister who understands the issues and the challenges before us to provide quality services to children, to families in the province of Manitoba and is approaching it from a standpoint of reform that is progressive, that will serve the needs of children in the province of Manitoba, not necessarily serve the needs of the bureaucracy from time to time.

I think that what we have seen particularly from one of the opposition parties in criticizing this minister is more care and concern for 14-year-service management staff than for 14-year-old children. I do not think that is what the Minister of Family Services is mandated to undertake on behalf of the children of the province of Manitoba.

As the minister has attempted to indicate over many, many answers in the Question Period and, indeed, in the last two days in Estimates for a number of hours, there are very, very significant challenges facing Manitobans in coming to grips with service provision to children. If there were easy answers, as it is in the health care field, to all of these questions, there would not be questions. I have not heard a solution proffered by either opposition party as to a better direction that the minister ought to be taking, and I have listened attentively. I have listened with some diligence hoping, praying indeed, that members opposite might offer some new solution.

I sat through some 35 hours of Health Estimates, for instance, listening, and I did receive the odd good suggestion from one of the opposition parties, who will remain unnamed because it gets the individual in trouble. I did receive some good constructive criticism from one individual, but the majority of the time was not productively spent in any meaningful way, because opposition parties have not offered a

vision to Manitobans of how they would make things better.

As I sit here in this committee room, I find it quite interesting to contemplate the gentleman's picture who is immediately behind me, in the person of Mr. Howard Pawley. This is the gentleman at the helm of a New Democratic Party government for some six and a half years and seven budgets that left Manitoba with a crippling legacy of debt which has taken interest payments from 1981 of less than \$90 million annually, to \$550 million annually today. That is \$460 million that is not available to provide services to children, to health care, to any other of the priorities that one might wish to accede to in this great province of ours.

Howard Pawley now sitting with his visage sneering at members of the current New Democratic Party by the legacy he left them—where is he now? He is in Ontario as an economic adviser to Premier "Bob and borrow." Subsequently, we have a \$10-billion deficit coming in Ontario and \$9 million next year and \$8 million the year after and \$7 million the year after to cripple that province with debt and interest payments to deny children, to deny citizens of this country services, because first and foremost will come the money lenders who will get their interest first and foremost.

I was in the Minister of Finance's (Mr. Manness) Estimates just yesterday, and it was with a great deal of interest that I recommend all honourable members to be present when you pass one line called Statutory Debt. It was in excess of \$450 million, and there was not one question. Do you know why there was not one question? Because we pay it without debate. It is the first call of tax dollars. We do not even get to debate it as MLAs. It is gone. It is spent. That is why Howard Pawley, in this picture behind us, is sneering at members of the New Democratic Party today, because he left you with a legacy of \$460 million of increased debt.

To do this minister the injustice of trying to vote his salary down does a discredit to the individual in the portfolio and to that wonderful job he is doing on behalf of Manitobans.

### Point of Order

**Mr. James Carr (Crescentwood):** A point of order—I do not know what our rules say, Mr. Deputy Chairman, but it seems as if he is imputing motive of a portrait. I would like a ruling on that.

**Mr. Deputy Chairman:** The honourable member does not have a point of order.

\* \* \*

**Ms. Barrett:** Mr. Deputy Chairman, I understand that I have approximately five minutes to speak to the Minister's Salary and the motion that I put forward reducing it by half. I am going to speak very calmly in response to the minister's comments not only in the last half hour but over the 15 hours of Family Services Estimates that we have had these last two days.

We spent the majority of the time dealing with the two major changes that have occurred in this department since the last Estimates process, the disembowelment and emasculation of the Child and Family Services agency system and the beginning of the total complete dismantling of a child care system that was, up until the current government got its majority, a model for North America.

The minister talks about the actions of his government as being a model for other provinces to follow. I would suggest that is turning out to be the case in not only Family Services but Education, Health, Labour, in particular in this session, and Natural Resources, the Environment. Every single department of this government has certainly been a model of what a Conservative majority government is.

I think the people of Manitoba are certainly getting a full view of what the Premier (Mr. Filmon) stated at his victory party, that a majority is a majority is a majority. To add to that the other portion of that comment—I am not sure if the Premier mentioned it that evening, but Manitobans are certainly beginning to remember it: a Tory is a Tory is a Tory.

When you put a Tory together with a majority, you get the kind of trouble that this province is currently in and is going to find itself even more deeply in between now and the time the next government is elected, which will not be a Conservative government.

I will close my remarks so the other opposition critic has an opportunity to speak. I fully expect to be able to have ample time to put my further comments on the record. I just want to end by repeating that the government has not been listening. It has not been consulting. It has not been talking with the people of Manitoba. The people of Manitoba are beginning to see the impacts

that is going to have on their daily lives and the lives of those they care about. That is a very serious and concerning proposition to all of us who do care about the families and children in Manitoba.

\* (1750)

**Mr. Alcock:** Mr. Deputy Chairman, it is interesting, you know. I started this Estimates process with considerable anger and frustration about what the government has done, I think in part because I am too close to some of the decisions that were taken, personally.

Sitting in this room, I am reminded of one thing, and that is that sitting here over these last couple of days and seeing all the staff come in and out gave me a chance to reflect on all the people who work in this system and the very high quality work that they do and the commitment that they bring to the job that they do on behalf of all of us.

We have a real problem now. The government has made some very significant decisions, decisions that will produce changes in the system. I wrestle every day with my own feelings about this and the intense anger that I feel about some of the changes that they have made, but that is countered with a need to see this system work because, right or wrong, if we continue to destroy each other, it is the kids and the families and the communities and the abused women and everybody else who get hurt.

I hope to end this Estimates in two ways: one is by wishing the very best of luck to the staff and to the people who work in the system; and by supporting this resolution, because I think this minister has made some very dangerous and destructive changes. Thank you.

**Mr. Gilleshammer:** I think that there are individuals who are very close to the situation that makes it sometimes difficult to be objective. I can tell you that changes that we have made in the Child and Family Services agencies and the other reforms that we have announced are intended to provide a better level of service for the vulnerable children and families that this department serves.

I believe that with the co-operation of staff over the short run and the long run, we are going to see those improvements to service and that the single administrative structure that we have put in place in the city of Winnipeg is going to allow for the co-ordination and decision making which will improve the system and prevent the cases that have

been referenced before that were falling through the cracks and not receiving the good service and the treatment that they deserved. We are very optimistic that as the new board is in a position to make decisions and the new administrative structure is finding their way, some very positive developments will come forward.

I am encouraged in recent meetings with the Winnipeg Foundation and the United Way that they want to work together with government to analyze the many, many problems and the many agencies that we fund in common. We look forward to our deliberations with them and our joint planning with them. I think we share the same concerns and the same vision for service delivery within the city. In the coming weeks and months we will be working towards that end. Thank you.

**Mr. Deputy Chairman:** Order, please. I am interrupting the proceedings of this section of the Committee of Supply because the total time allowed for Estimates consideration has now expired.

Our Rule 64.1(1) provides in part that not more than 240 hours shall be allowed for the consideration in Committee of the Whole of Ways and Means and Supply resolutions respecting all types of Estimates and of relevant Supply bills. Our rule 64.1(3) provides that where the time limit has expired, the Chairperson shall forthwith put all remaining questions necessary to dispose of the matter and such questions shall not be subject to debate, amendments or adjournment.

I am therefore going to call in sequence the questions on the following matters: The Department of Family Services, the amendment to item 1.(a) Minister's Salary; and No. 2, Resolution 43. I would like to remind all members that these questions may not be debated, amended or adjourned, according to the rules of the House.

The first question before this committee is moved by the honourable member for Wellington (Ms. Barrett), seconded by the honourable member for Radisson (Ms. Cerilli), that item 1.(a) the Minister's Salary in the Estimates of the Department of Family Services be reduced by 50 percent to \$10,300. Shall the item pass?

All those in favour of the motion, say yea.

**Some Honourable Members:** Yea.

**Mr. Deputy Chairman:** All those opposed to the motion, say nay.

**Some Honourable Members:** Nay.

**Mr. Deputy Chairman:** The Nays have it.

**Ms. Barrett:** A recorded vote, please.

**Mr. Deputy Chairman:** A formal vote has been requested. We shall proceed to the Chamber where a formal vote will be conducted.

### SUPPLY—HIGHWAYS AND TRANSPORTATION

**Madam Chairman (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates for the Department of Highways and Transportation. We are on page 96, item 6.(c) Safety: (1) Salaries \$4,653,300.

**Mr. Daryl Reid (Transcona):** Madam Chairperson, I think it might be appropriate if we would wait for the staff for a couple of moments.

**Madam Chairman:** I apologize. Would the minister's staff please enter the Chamber?

**Mr. Reid:** Madam Chairperson, I will start off in this section by asking the minister a question on the safety aspects of show cause, because I had a situation in my constituency of Transcona that I represent where a young woman was killed in an automobile accident while she was crossing the street near the Kildonan Place Shopping Centre. She was struck by a vehicle that was operated by an individual who had borrowed someone else's licence and had gone and rented a vehicle and was proceeding to operate that vehicle, I am told, at above the posted speed limit and in contravention to the laws that are supposed to be in place.

I have written to the minister on this, and he has responded to me and said that the photo licensing system should alleviate some of this problem. The question and concerns that I have in this matter have to do with the fact that this individual who was operating and struck and killed the young woman received a jail sentence out of this, but the person that had loaned the individual the licence, in no way, from what I can determine, received any kind of sanctions. There were no sanctions imposed upon this individual as far as licensing privileges are concerned.

I am wondering what policy is in place to deal with situations like that where an individual goes through the court process, admits openly in the courts that they had loaned their licence to an individual who

was involved in an offence contrary to the Criminal Code and yet receives no sanctions or any penalties on their licensing.

Can the minister give me an indication on the policy for that, please?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Madam Chairperson, the registrar indicates to me that is a criminal offense and that the individual should have been charged, brought to court and should have been sentenced according to the laws of the land. It is not within the jurisdiction of the registrar to take action in a case of that nature.

**Mr. Reid:** I also wrote and personally spoke with the Minister of Justice (Mr. McCrae) on this matter prior to speaking with and writing to the Minister of Transportation. Both of them have washed their hands of this.

The family has gone through very traumatic times and is still continuing to go through traumatic times. They feel there has been an injustice here, and they would like to see the injustice righted. I have to agree with them. If there are no sanctions imposed upon the licensing privileges for this individual who loaned their licence, for which a criminal act was committed, what recourse do we have? There has to be some policy in place that will protect the public from this type of action that this individual had taken.

**Mr. Driedger:** Madam Chairperson, I cannot recall whether the member, at the time when he wrote me, had given me all the details and the names of the individuals involved or whether it was on a general basis. The registrar has indicated to me that if we could maybe—I can check my files, but maybe to expedite things if the member, after we are through with the Estimate process, would get in touch with the registrar, he will take the information down again. Then we will take and review it and see whether there is any different role we can play and will advise accordingly.

**Mr. Reid:** I appreciate that opportunity. I am optimistic that the minister's department will be able to take some appropriate action to right this situation on an injustice that I feel has gone on far too long in this case. I will be contacting the registrar to pass on that information.

There was also—and I believe it falls under this area. I received correspondence on written testing for a beginner's licence that was done I believe in the Camperville area. This couple had gone and



the woman wanted to apply to take the test. She received what is indicated here to be some abuse by the person operating that department, the minister's department in that area. Of course this woman was told to come back at another time, which was very inconvenient for them to do, considering the area in which they lived and the rather extenuating circumstances.

I believe this matter was brought to the minister's attention. I would like to know what has transpired to resolve this matter?

\*(1450)

**Mr. Driedger:** Madam Chairperson, I want to indicate that I can recall the incident. I have replied directly to the person involved. Also, when the complaint came forward I forwarded it to the registrar, who did an investigation, checked the matter out. My understanding was, if I can recall correctly, that the individual, our employee basically—our investigation established that the individual was not abusive. We believe that our employee could have treated the individuals with a little bit more sensitivity.

I think the fact that it has been brought forward—I repeat again, I have replied to the individual and I hope that we will have a little bit of a different attitude for the future.

**Mr. Neil Gaudry (St. Boniface):** Madam Chairperson, again we see the increase in staffing for Photo Driver Licensing Program, roughly 8.14 SYs, and we have seen the same thing in the Licensing. What are the duties of these increased staff in the Safety?

**Mr. Driedger:** Madam Chairperson, I want to indicate that all these positions that I have ID'd, and as I indicated in my statements earlier already, are all related to the photo licensing, whether it is clerks, cashiers, the people who actually do the camera work, computer work, everything that is related to the photo licensing. That is where the positions basically get filled.

**Mr. Gaudry:** Madam Chairperson, can the minister tell us why the capital funding has dropped by 60 percent?

**Mr. Driedger:** Madam Chairperson, we basically had bought some of the hardware for our satellite offices last year. So it is not a recurring expense. We did not need as much this year for that purpose.

**Mr. Reid:** Madam Chairperson, I believe in this section they talk about alcohol and drug abuse programs. I have had some correspondence from individuals who were concerned about the need to have to go through the AFM program after they had been convicted of alcohol-related driving offences. I have to agree with the policy that is in place; I think it is a good policy that requires a person to go through an evaluation prior to their receiving their licence back. I think that is the appropriate policy to have.

The question that was brought to mind, though, is it only the AFM that have the expertise to do an evaluation on an individual? I took note that when Bill 48 went through the House here that there was a provision in there that would allow, I believe, the minister some discretion, and that would allow medical personnel that were maybe qualified in these areas to pass judgment on individuals whether or not they have abstained from substance abuse and would now be capable of having their licence reinstated.

Can the minister give me an indication of how we are going to verify that the doctors who are doing the evaluation are indeed qualified to make that evaluation prior to their giving a recommendation to the department of motor vehicles that the individual in question would be in a position, in the doctor's estimation, to have a reinstatement of their driving privileges?

**Mr. Driedger:** I want to indicate that most medical people are not qualified to do an assessment. They have to be properly trained to be able to do that and to do the follow-ups on chemical dependency. By and large, AFM has the most qualified people; we believe they are the most qualified to do that kind of an assessment. There is the odd exception of a medical doctor who has had the training and has the qualifications. In some of those cases, we use these qualified medical people, but I repeat again that most medical people are not qualified to do that. They have to have special training to be able to qualify.

**Mr. Reid:** Will the minister's department be relying on advice from the MMA to make a determination on what medical staff would be eligible to make these evaluations, or how do we determine which of the doctors would qualify?

**Mr. Driedger:** We will only use medical doctors or psychiatrists registered with the Manitoba College

of Physicians and Surgeons, and psychologists, ho have the training to do the assessment and follow-up on these things.

**Mr. Reid:** If I might regress a bit, I had a question before we recessed this morning about licensing and language for the written and oral examinations, and I talked about the Ukrainian language. It was brought to my attention over the lunch period that there are also other languages such as Cree which make up a significant portion of our northern population. Are there opportunities for the Cree language to be used in situations where there are oral or written examinations for driver licensing?

**Mr. Driedger:** Madam Chairperson, until just recently, we did not have any person who was qualified to be able to give tests in the Native language, but I have to indicate that since that time we have somebody in the employ who is a Native individual stationed at Thompson, and we are hoping to expand it so that individual will be able to give that kind of testing in the Native language.

**Mr. Gaudry:** Following in the questions of alcohol and drug abuse programs, is there a set fee that someone has to pay, when they are charged with impaired driving, to the Alcohol Foundation?

**Mr. Driedger:** Yes, there is a standard fee that has been in place even from the previous administration. It has not changed. The fee is \$225, and basically the fee is there for the purpose of covering the costs that are related provincially, so that figure has been established six, seven years ago, something like that. It has remained at that price basically to cover the costs.

**Mr. Gaudry:** It covers what costs though? The cheque goes to the alcohol foundation, does it not?

**Mr. Driedger:** Yes, the cheque gets made out to AFM, and it is to cover the costs of doing the assessment, the treatment and the follow-up of the individuals.

**Mr. Gaudry:** I think this is what a lot of people object to, the fact that they have to pay this \$220, and they feel that they could be covered under medicare if they went to a doctor.

\* (1500)

**Mr. Driedger:** Madam Chairperson, it is our position that if you drink and you drive, then you have to pay the consequences and all the related costs that are associated with it.

**Madam Chairman:** Item 6.(c) Safety (1) Salaries \$4,653,300—pass; 6.(c)(2) Other Expenditures \$779,600—pass.

Item 6.(d) Manitoba Public Insurance Corporation Cost-Sharing Agreement.

**Mr. Reid:** The Supplementary Estimates show that the Vehicle Agent Commissions and Flat Fees are \$210,200 above what they were last year. Can the minister give me an indication if this is the amount that is cost shared, or is this the amount that his department would pay for the costs, and what are these costs incurred for?

**Mr. Driedger:** Madam Chairperson, MPIC pays vehicle agents commission for each new issue or renewal of a vehicle registration or Insurance certificate. The rate of commission paid to the agent by MPIC is equal to 5 percent of the basic insurance premium assessed on the certificate. DDVL reimburses MPIC a set rate for each certificate handled by agents, \$3.27 in 1991, established at \$3.42 in 1991-92. This rate is increased each year by the amount of the consumer price index, CPI, for the city of Winnipeg. The terms of the agreement require the government of Manitoba to reimburse MPIC \$2,900,000 for collecting approximately \$33 million in vehicle registration fees in '89-90. In '91-92, it is estimated that the cost to DDVL for vehicle agent commissions and flat fees will be increased to \$3,297,000, an increase of \$210,200 over the 1990-91 adjusted vote.

**Mr. Reid:** I take it then that this amount of monies that are transferred are based on the number of agents that are working on behalf of the Autopac corporation performing the duties for the minister's department?

**Mr. Driedger:** Madam Chairperson, these commissions are paid based on the amount of registrations, vehicle transactions that basically take place.

**Mr. Gaudry:** Madam Chairperson, I know there are different views, but in regard to the use of credit cards for paying autopac transactions, I have received a letter from one of my constituents. His observation was that when the decision was made not to use credit cards, it was kept secret, and then it says it stifles competition, and then says tends to monopolize administration charge for the time payments. I know I have talked to some agents where they say they prefer not having credit cards, but I was wondering if the government had ever

thought of allowing the ones that want to use credit card transactions, if it is possible.

**Mr. Driedger:** Madam Chairperson, that issue is strictly an issue that the Minister responsible for MPIC (Mr. Cummings) would be dealing with. However, I can indicate to him that because of the many things that my department and his have together, or MPIC, I would be prepared to discuss it with him and raise the issue with him. I have no jurisdiction in that area.

**Madam Chairman:** 6.(d) Manitoba Public Insurance Corporation Cost-Sharing Agreement \$3,297,500—pass.

6.(e) Transport Safety and Regulation: (1) Salaries \$605,000.

**Mr. Reid:** Madam Chairperson, I imagine we will be spending a period of time on this section here. I have a number of questions and concerns dealing with truck transportation companies that I have raised to the minister's attention on several occasions. On the safety of the carriers and the inspection processes that we go through in this province, I would like to become more familiar, particularly with the inspections. Could the minister give me an indication of the number of inspectors that we had performing truck transportation equipment safety inspections, either in fixed locations or on the mobile units, totally together in numbers, and whether or not that amount of staffing performing those duties has increased since we went into the deregulated environment?

**Mr. Driedger:** Madam Chairperson, I want to indicate that we have nine inspectors that are out in the field doing inspections, and that figure had not changed for quite a number of years.

However, we have brought forward other programs on safety inspection, for example, on-highway vehicle inspection program, also known as the Commercial Vehicle Safety Alliance. This program is a joint Canada-U.S., on-highway inspection program strictly for commercial vehicles over 44,500 kilograms, including farm trucks. Only critical components of vehicles such as brakes, suspension, steering, wheels, hitches, et cetera, are checked for adherence to the standards. Loading securement and dangerous goods are also included in this inspection. These inspections are conducted at 11 weigh scale sites throughout the province. Vehicles which successfully pass inspection are given the common CVSA decal with Manitoba

identification applied to the vehicle. This is a standard now under the National Safety Code.

Then we have the Commercial Vehicle Inspection Program. This Manitoba program, which was instituted in May of 1988, affects only truck tractors and semitrailers. This program requires tractor units to be inspected twice a year and semitrailers once a year. Generally these inspections are carried out at privately owned appointed shops. Alternatively, self-certified shops which possess the resources and equipment to carry out their own inspection in a professional way are permitted to do so.

The government has adjusted the time frame for inspection intervals for low-mileage tractor units. Instead of having a compulsory, twice-a-year inspection cycle, these low-mileage units are inspected only once a year or at 25,000 kilometers, whichever comes first.

Then we have the randomly selected inspections for passenger cars and light trucks. This program, which has been in place in Manitoba for over 20 years, was formerly delivered during the summer months through DDVL. In April of 1987, responsibility for this program was transferred to MPIC.

**Mr. Reid:** I believe it was part of the understanding when Manitoba signed the deregulation agreement with the federal government that one of the conditions for our signing was that we would put in place extra inspectors to ensure that the truck traffic that was coming through our jurisdiction here, either from the U.S. or from other Canadian areas, would receive inspections and, because we anticipated that there was going to be an increase in truck traffic flowing through here, that we would require these inspectors. Yet, if I understand the minister correctly here from the comments he has just made, the nine inspectors who are in place and the programs that are working have not been increased.

Why is it that we have not fulfilled the mandate to increase the number of inspectors who would be required under the deregulation agreement?

\* (1510)

**Mr. Driedger:** Madam Chairperson, at the time in 1987 when the passenger and light truck inspection program was transferred to MPIC, some staff were transferred with it, but additional staff was kept back to stay within the department to do the truck inspections that we are making reference to in

anticipation of the responsibility and the requirements under the National Safety Code.

**Mr. Reid:** So is the minister telling me then that the MPIC is now responsible for some of the safety inspections concerning the deregulation agreement?

**Mr. Driedger:** Madam Chairperson, MPIC does only inspections on passenger vehicles and light trucks. We have the responsibility for commercial vehicles and vehicle standards in my department.

**Mr. Reid:** I must have missed something in the comments here, because I do not see any increase in the numbers of inspectors to ensure that the truck equipment is safe in operating on the highways.

When I raised the issue with the minister a couple of months back, I specifically did not use the name of the company because I did not want to put them in jeopardy. We were aware that they were in serious financial difficulties, at least we were led to believe that, and this particular company had not remitted their taxes that they had collected. So it led us to that conclusion that they were in serious financial trouble.

My understanding now is that we do not have these extra inspectors in place to inspect this type of an operation when this equipment is running. You go on a spotcheck on the weigh scales and you hope you catch it there, if the guy is not too busy on the weigh scales and he has time to run out and look, or you hope that your mobile unit can stop them on the highway and catch them, but you do not have the inspectors, from what my understanding is, to go into the facilities here, to stop a vehicle that is running outbound loaded or outbound empty, and do inspections on it to make sure that the safety work was performed on those pieces of equipment. That is why I am asking whether or not we have increased the number of inspectors here because we have hard evidence to show that the safety aspects, in relation to the work, are not being performed.

**Mr. Driedger:** Madam Chairperson, the member is wrong. We have adequate inspectors to do the inspections. We have brought in the inspections as I just read into the record here, the kind of programs that we have where we have close to 300 appointed registered shops that do these inspections and have to give the decals and everything. On top of that, we have our inspectors inspecting them and making

sure, and I can assure the member that our inspection program is working well.

**Mr. Reid:** Madam Chairperson, if the inspection procedure was working that well, we would not have these pieces of junk running around on our highways putting our residents at risk. I call them pieces of junk because I have seen the hard evidence to support the fact that the safety work is not being done on these pieces of equipment. I presented the information to the minister. He has never got back to me with a letter like he has indicated he would to indicate what action was taken on this matter. He has promised me this now for at least two months, and I am still waiting for that letter so that I can go back to the people that provide me with the information and say, this is what is taking place, and this is the policy and action of the government.

**An Honourable Member:** It is the old the-letter-is-in-the-mail trick.

**Mr. Reid:** Yes, my lawyer pulled that one on me a few years back. I remember that trick. I do not get fooled by it anymore.

So I ask the minister if he would send me some information, some written information, to indicate what the policy is, what action they have taken in this matter, so that I know that his department is serious in the comments that they have made and that they are, indeed, looking after the safety of our travelling public, as well as the employees themselves that are operating this equipment, whether they be carrier hired, or owner-operators?

**Mr. Driedger:** Madam Chairperson, let the member not come up with this feigned indignation about me not replying, because I replied and answered him in the House. If he wants it in writing, I will do that in writing as well. I replied and communicated when he brought the concern forward and had my registrar go out and make sure exactly what the circumstances were.

I think I had indicated in the House at that time that there was some concern we had expressed, not necessarily about the inspection, but because there were some personnel changes that took place at that time. As a result, though, we have audited that individual company six different times to make sure the inspections are on track the way they are supposed to be.

**Mr. Reid:** The minister did indicate that he would send me a piece of correspondence indicating what

action he had taken. The minister indicates that there have been six inspections of this company. Can he tell me how many noncompliances were found in those six inspections?

**Mr. Driedger:** I do not have that kind of immediate detail here. In my replying, obviously, the member wants a letter to the extent on the question, although I had put it in Hansard at the time. He has it and he could take it from there, but I will instruct my registrar to take and respond in writing. I will give you the details in terms of exactly what has happened with the inspections and what the circumstances were that were found.

I could go into some of the detail. There is nothing major that has been found, but I will detail that in writing to the member indicating, basically what was found were some minor details in terms of clearance lights, et cetera, but I will have that down in writing for him.

**Mr. Reid:** For the record, Madam Chairperson, with that company the information that I got on the work tickets for that particular shop showed that airlines, brake equipment, the underframe, the truck carriages were defective. It is my understanding now that these particular pieces of equipment are being safety-inspected in points in Alberta where there is another shop operation for the same company, and they are being run through with okay slips into this terminal here. Yet they arrive here, and we are still finding defects on these pieces of equipment.

What I need to know is, how often do we do audits? How well are these employees trained, because it is my understanding that, in the company itself that is certified to have their own inspectors do this check, they can rotate employees to do the actual safety inspections, and that these employees do not have to be long-term employees or have a great deal of experience, they only have to be working for the company. What is the policy on the qualifications for an individual to perform the safety inspections on these pieces of equipment?

**Mr. Driedger:** Madam Chairperson, let me indicate to the member that normally we do an audit approximately twice a year. I want to caution the member, ever since some individuals have whispered in his ear, and I think they have a vendetta on with the company to some degree, that he should not get too carried away with it, because I still feel that our people are doing a qualified job.

If there is something specific now that he wants to make reference to and bring forward, I will have our inspectors go and specifically check those items out. He should not get carried away with the fact that some individuals maybe are not too happy with the company and things are financially pretty tough for the trucking industry. I can see where these sort of things develop, and I get these letters from time to time, and we do respond, we check that out.

So, if it is something specific, we are prepared to go and look into it. Other than that, I feel quite confident that the inspection system that we have working for us at the present time is adequate.

\* (1520)

**Mr. Reid:** The minister says that some of these individuals might be having difficulties within their company. That may or may not be the case, I could not say, but what I do know is that the evidence that I presented to the minister indicated there were serious problems. I have to take that evidence at its face value because those are the shop copies of the inspection work that was done. There are clear violations of the regulations that are in place, so I would say in those cases that those individuals were not doing it out of any malice toward the company but were doing it out of concern for the safety of the travelling public.

It has been widely reported that the trucking industry is in difficult times, and the minister has made mention of it. In fact, even the Globe and Mail recently talked that only one or two of Canada's five national trucking companies are likely to survive the deregulation of the industry. That is pretty scary news for us in this particular province, because we are a transportation centre. We do rely heavily on trucking in this province, and it provides a great number of jobs in this province.

Does he have recent statistics to give us an indication of what the actual direct employment level is in the trucking industry in this province, and does he have any kind of a list that he could provide some time for us indicating the trucking operations that are either headquartered here, or operate here, or run through this province?

**Mr. Driedger:** Madam Chairperson, when I had Mr. Schaefer here from policy and research, that would have been a time when I could have probably got the information immediately. I will try and forward that information from my policy and research department, get more details on it rather than me try

and fabricate an answer without having the full knowledge of it.

**Mr. Reid:** There was also a recent report by the Royal Bank, and I know the minister's government likes to quote from the Royal Bank from time to time. They indicated that Manitoba and Saskatchewan had 37 trucking firms go bankrupt in 1990. Can the minister give me an indication on how many of those firms that went bankrupt were in the province of Manitoba? Do we have that information available?

**Mr. Driedger:** I will check with my Motor Transport Board and see what information they can come up with in terms of—I am sure that, because they are registered and have their running authorities from there, that information should be available. I do not have it here at the present time.

**Mr. Reid:** Owner-operators, I believe, through the CCMTA, have done and issued a document recently and a report, and of course the owner-operators themselves have many concerns that they have raised.

When I had the opportunity a while back to attend the carriers, I believe it was their convention here, and the chairman of the board, I believe it was, the chair of that department for the minister raised several concerns that owner-operators had. I am not sure if it is appropriate here, or would it be more appropriate under the Motor Transport Board to raise the issues of the owner-operators. Can you give me an indication? This is the area, okay.

They had several concerns. They talked about administrative fees that were being charged to them in their operations, deductions of fees that were unsupported by any documentation—I am talking about from carriers to owner-operators now—holdbacks of fees that are due and payable to the owner-operators from the carrier, lack of security and interest on the holdbacks, slow payments, and the equipment such as fuel and other supplies have to be purchased from the carrier at prices that are jacked up above what would be considered fair and reasonable. There are many other issues that are taking place there.

What type of policy does the government have to correct what appear to be very serious injustices since the owner-operators do not have any type of a strong organization to defend their interests? They are very much left to the wishes of the individual carriers who can say that, if you do not like our policies you leave, go get a job somewhere else,

which is a little bit difficult to do for some of these owner-operators since they have invested a large amount of monies and, quite often, even painting into the company's colour schemes and not to mention every other area that they have to perform up to the company's wishes. What policy is in place to protect the owner-operators and what plans does the minister have to rectify these injustices?

**Mr. Driedger:** Madam Chairperson, as I indicated, I believe yesterday, the chairman of the Motor Transport Board, Mr. Don Norquay, has been heading a national group that has been going out and listening to the owner-operators and their concerns. The issues that the member raised are all part of the problem.

The committee that was formed, I think, developed because of the pressure that was put on the federal minister in Ontario when they were blockading the ports of entry at that time. As a result, this committee was one of the various studies that are being done on a federal basis to try and see what problems there are and how they could possibly be dealt with. Provincially, I do not think it would be responsible of us to try and deal with it on a province-by-province basis. This is a national problem that we have, a Canadian problem that we have, and most of the concern is directly because of the competition that is coming in from across the line.

I am hopeful that as this issue develops further, the report comes forward, and I have been asking, really, that there should be recommendations coming with that report. Initially, at one meeting, the consensus of the other people from other provinces was that they just wanted to bring forward the information but not make recommendations, just bring forward the report but not make recommendations. I have asked for recommendations to be made. Hopefully, when it comes forward, the Council of Ministers are meeting in September here in Winnipeg, and I believe at that time it will be presented to the Council of Ministers and they, hopefully, will take and give some direction from there on.

**Mr. Reid:** I talked a few moments ago about the inspectors, and I was asking about the number of audits that are done. Do we have any statistics or would he keep statistics on the noncompliances that we find in the different companies in operation? Are they also broken down in order of severity so we can make a determination on the type of infractions we

are finding as well the companies and where they may be headquartered, whether or not it is our own domestic companies or whether or not they were foreign carriers that we are finding in noncompliance?

**Mr. Driedger:** Madam Chairperson, we do have that information, but we do not have it here. I will give an undertaking that I will make that information available to both critics.

**Mr. Reid:** The logbooks is another issue for the drivers. Of course, there are regulations that are in place that are supposed to allow the operators of these vehicles to book off for rest after a certain numbers of hours of operation. Of course, logbooks, if they are not numbered or they are not checked on a regular basis, are subject to all kinds of abuses and only limited by one's imagination.

What type of policy or what type of process do we have in place to ensure that the logbooks for these operators are checked on a regular basis? What type of controls do we have in place to ensure that there are not abuses taking place?

**Mr. Driedger:** Madam Chairperson, I would like to indicate to the member, one of the first meetings of Council of Ministers that I met with, we were debating the hours of service. At that time, Manitoba joined with all the other provinces except the three western provinces, who objected to the 13 hours of service driving. They wanted 15, and the rest of Canada wanted 13. We agreed with the rest of Canada, that 13 hours of driving time is the maximum that is allowed.

As far as concern about whether the logbooks get checked, I want to indicate to the member that all trucks have to go across the weigh scales, and it is at that point where the logbooks are being regularly checked and made sure that they are current.

**Mr. Reid:** That is in the case if there is only one logbook in circulation, then they can be verified at the weigh scales. If there is more than one logbook in circulation and the individual has access to more than one logbook, then of course they could go through the weigh scales and be free and clear to operate, even beyond their hours. -(interjection)-

I recognize that eventually the odds will catch up with you, but we do not seem to have—I understand the logistics of it. There are obviously a great number of logbooks that are in use by the number of drivers who are operating within the province. My concern here is for the safety of the travelling public.

If we have drivers who are operating beyond the hours and they are tired, they become a risk on our highways.

\*(1530)

My concern is for the travelling public, as I indicated. That is why I think it is important at least from time to time to do an audit to ensure the logbooks—spot checks, random spot checks even. There has to be some process in there to ensure that there will be an underlying concern from those who are operating that they could be spot-checked. If there is no policy in place to allow for that, then these operators will operate freely and not have any fear of the regulations or the law.

**Mr. Driedger:** Madam Chairperson, I am a little disappointed at the lack of confidence that the member has in the terms of how our inspectors operate and how we operate. He seems to feel that we are a very incompetent department. I want to indicate to him that we do spot checks on the log books, random checks. We do it at the weigh scales; it is an ongoing program.

I hope he gives my people a little bit more credit than being that naive that they will be outfoxed all the time. That does not assure that we do not have individuals who from time to time had slipped through the cracks a little bit. I will tell you, our system is relatively good. I have all the confidence in our people that we are doing good proper inspections and we are catching these guys.

**Mr. Reid:** If I left the minister and his department with any doubts on my thoughts to their competence, I apologize for that. That was not my intent. I am sure they are very competent people, and that is why they are in those jobs, because they know those jobs very well. The people in the province of Manitoba rely very heavily on them for their expertise.

As I mentioned, it is for the safety of the travelling public is my concern and also for education for myself that I ask a lot of these questions, because I do not know the policies that are in place and that is why I am asking them.

I am not sure if I have asked this question, if I have, he can let me know. Do we have any kind of statistics indicating the percentage or tonnage of the truck traffic in the province that would be hauled by owner-operators versus the carrier employed operators?

**Mr. Driedger:** Madam Chairperson, no, we do not have that information. Maybe the Manitoba Trucking Association would have it, but I will inquire to see whether under the Motor Transport Board they do get that information, but I doubt whether we have that kind of information. I will do some checking with the Motor Transport Board as well as the Manitoba Trucking Association.

**Mr. Reid:** I thank the minister for that.

Can the minister give me an explanation—it says, Recoverable from Canada \$352,000. Is that for the Canada Safety Code? Is that what we are being reimbursed for in that situation? Can he explain to me the cost-sharing arrangement provisions for the safety code?

**Mr. Driedger:** Madam Chairperson, the first five years under the National Safety Program, the federal government pays the full development costs as well as the operating costs, and after five years the operating costs basically become the responsibility of the provinces. However, the major costs of the development of the program has then already been paid for, and the \$352,000 that is there is the federal contribution to Manitoba for their portion of the National Safety Code implementation.

**Mr. Reid:** Under the Activity Identification on page 88 it talks about the responsibilities of the Transport Safety and Regulation section of the minister's department where they conduct prosecution activities for the Motor Transport Board. Can he give me an explanation on that and maybe an indication on the number of times that we would have to pursue prosecution for failure of compliance?

**Mr. Driedger:** Madam Chairperson, in the registrar's department there are people who basically do inspections, and also if there are truckers or organizations that are in contravention of their operating authority, then ultimately our people go and appear before a hearing of the Motor Transport Board and bring these cases forward.

**Mr. Reid:** Would the truck driver training program fall under this section of the department?

**Mr. Driedger:** Madam Chairperson, there is no provincial truck driving training program. It is all private.

**Mr. Reid:** Because I am not familiar with this, I will ask this question for information purposes for myself. The minister indicates that it is not provincially operated and it is privately operated. Is

there are a provincial program of instruction that they follow for the training for the truck drivers?

**Mr. Driedger:** Madam Chairperson, we do not have as government any specific guidelines in terms of the training. There are areas like Manitoba Hydro, Reimer Express, who are recognized as certified agencies to train and licence the drivers.

**Mr. Reid:** Under the Activity Identification, it also talks about the fitness of the carriers. Is that an indication of the financial fitness, the physical condition of the equipment. Can the minister give me an indication there. If it is a financial condition, do they have any kind of information that he can supply us with at a later date? He does not have to speak about it directly here today.

**Mr. Driedger:** Madam Chairperson, it is for financial as well as safety fitness in terms of equipment and the people who operate it. If the member wants a definition of fitness, the registrar has indicated we will supply that information.

**Mr. Reid:** The minister has indicated that the truck transportation industry is going through some difficult times. He has indicated that this area deals with financial fitness of the carriers. Are there any pieces of information that he can let us have copies of that would give us an indication on the financial fitness of the individual carriers in this province?

**Mr. Driedger:** Madam Chairperson, I want to indicate to the member that I am not privy, or do not have the opportunity to get the personal information on these kinds of things as to a trucking outfit's profit or loss situation. The Trucking Association makes representation to the board, actually, and to myself on behalf of when they apply for the authority.

Generally, on a broader statement, the trucking industry has made me well aware of the fact of the financial difficulties they have and the things that are bothering them, which are fuel taxes, depreciation, et cetera, but not as an individual that they have the information of an individual company in terms of how they are doing financially in that respect.

\* (1540)

**Mr. Reid:** In that sense, since the minister does not have any kind of detailed information on the financial, I guess we have to rely on the information that is supplied to us by the carriers or their representing board.

Are we having—and I say we—the government having discussions with the federal government to



deal with the concerns of the trucking industry in a general way when they talk about the problems that are causing them to be, as I say, less competitive with the foreign carriers that are operating into this country? We are talking now where cabotage is playing a role here, taking business away from our Canadian carriers. We talk about the depreciation, the fuel costs in taxes and the costs in general. Are there any discussions underway, policy-wise, between the federal government and this minister to resolve these issues?

**Mr. Driedger:** Madam Chairperson, there are ongoing discussions. As I indicated before, the study that was undertaken by my chairman of the Motor Transport Board, we compiled all the basic concerns and ills within the industry. This report is going to be coming forward to the Council of Ministers who will be dealing with it in September. Hopefully from there, I repeat again, positive recommendations will come forward that will help, maybe affect and improve the economic situation in the trucking industry.

**Mr. Gaudry:** Madam Chairperson, I have a letter here from Unlimited Mobility Inc. that was addressed to the Minister of Highways and Transportation on October 9, 1990. Can the minister advise what has happened to the wheelchair tie-downs for handicap vehicles at this time?

**Mr. Driedger:** Madam Chairperson, I cannot recall specifically. Is the member indicating that a letter was written to me? Obviously, I believe I would have responded, but I would have to check, because we are talking of almost a year ago, and a lot of correspondence goes through my office. If there are some concerns specifically about it, I will take that as notice and try and get the information back.

**Mr. Gaudry:** Madam Chairperson, what I will do, I will table a copy of the letter for the minister, because there are four questions here. I would like to see what the minister's reply is to these four questions. I will table the copy of the letter for the minister and will await his reply rather than putting them on record here today.

**Madam Chairman:** 6.(e).

**Mr. Gaudry:** There was a lot of discussion about the trucking industry in Manitoba here this afternoon from the member for Transcona (Mr. Reid). Can the minister tell us what effect has free trade had in the trucking industry in Manitoba, in general?

**Mr. Driedger:** Madam Chairperson, I cannot give a definitive answer on exactly what impact it has had, but I want to indicate that the port of entry at Emerson is the fourth highest truck port of entry in the country. In fact, we have more truck traffic coming through the port of entry at Emerson than all of Saskatchewan and Alberta put together, I believe. My staff has indicated that the increase in truck traffic going both ways at the port of entry in Emerson is dramatically up, but I have nothing to indicate that it has anything to do with free trade, for or against, whatever the case may be. I just know that the truck traffic is up dramatically.

**Mr. Gaudry:** Madam Chairperson, just one question to the minister. The Recoverable from Canada was \$350,000 in the budget for 1992. Was that the same amount for 1990-91?

**Mr. Driedger:** Madam Chairperson, I do not have that information here. Not necessarily, it depends on the money that we have spent provincially in terms of—last year we recovered \$240,000, and this year it is \$352,000. So we have spent more money and recovered more from the federal government on that then.

**Madam Chairman:** 6.(e) Transport, Safety and Regulation: (1) Salaries \$605,000—pass; 6.(e)(2) Other Expenditures \$264,400—pass.

Resolution No. 79: RESOLVED that there be granted to Her Majesty a sum not exceeding \$18,458,200 for Highways and Transportation, Driver and Vehicle Licensing for the fiscal year ending the 31st day of March, 1992—pass.

Item 7. Boards and Committees (a) Motor Transport Board: (1) Salaries \$607,000.

**Mr. Reid:** The minister, in his department here, could he explain to me the realignment of the board activities because we are seeing also a one staff person reduction in this area. I would like to have an explanation on the realignment of the board activities, please.

**Mr. Driedger:** Madam Chairperson, the Motor Transport Board lost one research analyst and to help them out, my department, Policy and Research, assists the Motor Transport Board in some of the information that they require.

**Mr. Reid:** Does that mean that this person is gone? It is on a full time so it is not just a loan.

**Mr. Driedger:** That position was vacant.

**Mr. Reid:** The position was vacant? All right. There are some changes in the Highway Traffic Board which would be the next item, I suppose, that would be the area to ask questions on?

**Mr. Driedger:** Yes.

**Mr. Reid:** Go ahead.

**Madam Chairman:** Item 7.(a) Motor Transport Board: (1) Salaries \$607,000—pass; 7.(a)(2) Other Expenditures \$140,100—pass.

7.(b) Highway Traffic Board: (1) Salaries \$157,100.

**Mr. Reid:** I have received some correspondence on the off-road vehicle operation and we are talking ATVs and motorcycles, dirt bikes, and finding out what my position is on the operation of these vehicles by persons under the age of 14. Of course, and I do not mind saying on record, I could not see any reason why I could support the operation of these vehicles by persons younger than the age of 14, knowing that it could put their health and safety at risk. What is the position, or what policy do we have in place dealing with the operation of these vehicles by those persons under the age of 14, whether it be for casual use or for racing purposes?

**Mr. Driedger:** Madam Chairperson, we have a very strong position that we do not support any driving by youngsters under the age of 14 for whatever reason.

**Mr. Reid:** Madam Chairperson, I am glad to see that I am not alone on that, at least, even though I felt strongly about the issue and made my intentions and thoughts known to those who have written to me on the subject, lobbying me to have changes brought about, and I refused to do that.

\* (1550)

I had written to the minister about a month and a half, two months ago concerning the speed limit on Provincial Road 304. That is the entrance to Gull Lake, and there are a certain number of residences that are in very close proximity to the highway itself. I know it has gone through public hearings on this and the people have had the opportunity to make a presentation, but from what they tell me in the correspondence and by phone call is that piece of road went from 70 kilometres up to 90 kilometres after they wanted to have it lowered down to make it more like a residential area.

Now they are concerned that with that 90 kilometres there are, as we see quite commonly,

those that skirt above the speed limits and actually exceed in some cases the posted speed limits. They are concerned for the safety of their families and themselves as they may be walking along that stretch of the road between Gull Lake and the stop sign at the end of that particular piece of road where there is a store. There are children who do walk along there.

I would like to know why the Highway Traffic Board has changed this up to a 90-kilometre zone when there are residential homes so close to the highway there and possibly putting the residents at risk.

**Mr. Driedger:** Madam Chairperson, the Highway Traffic Board basically makes the decisions in terms of speed limits. The normal process is some community council or somebody makes an application asking for a reduction. They invariably go out and make contact with people. I think they have a public hearing in many cases, and people can make representation for and against this thing. Based on that, the Highway Traffic Board ultimately makes the decision.

Very seldom have I had a complaint in terms of the decision that ultimately the Highway Traffic Board makes, because they take all these things into consideration, the concerns of people. If the group from Gull Lake on 304 are concerned to any degree they should make an application to the Highway Traffic Board to have them review it. Then normally they would have input into the matter and the decision would be made. I do not have, and rightfully so—I do not think the minister should have the authority or the influence to be able to go and say, well listen, you know, change it this way, that way, according to the way I would feel about it. However, if there is some major concern, I can ask for a clarification and maybe ask them to review it.

**Mr. Reid:** I believe what the Highway Traffic Board did is they changed it then from a 90-kilometre zone down to a 70 for seasonal use, and then in the off season, the colder months of the year, they raise it up to the 90 kilometres again. That was the decision of the board. It has not improved the situation any for the residents. They did appeal it, and they got nowhere in their appeal. At least, that is my understanding of it.

What I will do is I will contact the residents and tell them if they wish to pursue the matter further, that

we will get in contact with the minister's department and have that matter reviewed again.

I raised at an earlier time in our Estimates process, in discussion with the minister, speed limits and the Highway Traffic Board controlling the speed limits on residential streets.

I explained to the minister one particular street in my own constituency even, and I will use that as an example, where one portion of the street, which is about three to four kilometres long, is a 50-kilometre speed zone, residential homes on one side and industry on the other, and you go to the other half of that street and it is a 60-kilometre speed zone.

The residents have petitioned the city councillor and myself to have that speed limit reduced down to 50 kilometres for the full and entire stretch where the residential homes are. The decision came back and it was rejected.

Now we see the Highway Traffic Board overruling the wishes of the elected representatives and the people who live there, and I do not understand the logic of the HTB in making this decision, because I would think that their concern should be for the safety of the people who live along there.

**Mr. Driedger:** Madam Chairperson, my suggestion to the member would be that he should take the issue up with the city councillor, as has been done, and then have him or her bring the concern forward to the Traffic division of the City of Winnipeg. They in turn go forward to the Highway Traffic Board, and would bring forward that recommendation, which would at that time, I am sure, get favourable consideration.

**Mr. Reid:** There is a considerable number of names on the petition. What I will do is I will relay that information the minister has just given me back to the city councillor and we will pursue that through the city department, and then, failing that, I will bring the matter back to the minister's department again, because I am not optimistic in this case.

There were some changes by Order-in-Council 454 to the Highway Traffic Board and there were changes in the appointments. Mr. Sapeski was appointed chairperson, Mr. Blatz was a member in vice-chair, and there was also another individual who was appointed. These members who have been appointed to the board, can the minister give me some kind of an indication as to their qualifications to sit on this particular board?

**Mr. Driedger:** Madam Chairperson, if I appointed them, they must be very qualified. I would not have dared to appoint somebody to a board of that nature without being fully qualified, but I want to correct the member. Mr. Sabeski has since resigned and is running a business in Ontario; Mr. Blatz also. Both chairman and vice-chairman resigned for business reasons and moved out of the province.

At the present time, I have Mr. Ray Sigurdson as the chairman of the Highway Traffic Board. Mr. Sigurdson is a well-known individual on the municipal roads, having been on the executive with the UMM, and I think very qualified because they deal with a lot of municipal issues, so I feel all the confidence and the competence of that individual. Mr. Ed Penner is the vice-chairman who has a lot of experience in the transportation and trucking industry, so I feel very confident I have very capable people there.

**Mr. Reid:** Well, I do not doubt that they might have some expertise. What I am unsure of is exactly where their expertise is that would allow them to receive the appointments to the Highway Traffic Board. Mr. Sigurdson, Mr. Penner and Ms. Nabe—what I would like to know is the expertise that would allow them the opportunity to be appointed to the board and how they can pass judgments on situations like I just referred to the minister's attention a few moments ago.

**Mr. Driedger:** Madam Chairperson, I do not know whether the member is questioning the ability of the people that I have on these boards. I feel very comfortable with them. Certainly this is a board that has to report to myself, and if I had people on that board that I did not have confidence in, you know I would change them, so I think it is very understandable that the people I have on here have lots of qualifications. Some of these have been on here for over three years, three and a half years, and I am very pleased with the work that they have done to date.

**Mr. Reid:** Madam Chairperson, I know the minister feels very strongly about the appointments that he has made to this board, but the only reason I ask this is I wanted to know what their qualifications are, because I might have to refer back to that for future use to make a determination on the type of policy that is in place and use it to judge how these people are appointed based on their qualifications.

**Mr. Driedger:** Madam Chairperson, how do I appoint these people? I appoint people, by and large, that I feel are competent and capable of making decisions on behalf of this minister and this government in dealing with the traffic speed limits, with the sign policy, with crosswalks, all the things within their jurisdiction. I can indicate that I would expect though that maybe if ever in the future, heaven forbid, that the members should become on the government side or become minister, I feel encouraged, I feel that confident about these people that he would probably want to have these people stay on on that board.

\* (1600)

**Mr. Gaudry:** Madam Chairperson, again we talk about realignment of board activities, and there is a reduction of two SYs. Were those positions vacant or fired, laid off?

**Mr. Driedger:** Madam Chairperson, these two positions were transferred within the department, and my department of Policy and Research is giving assistance to the Highway Traffic Board.

**Mr. Gaudry:** Could the minister explain, in board members' expense, the \$72,000 reduced to \$23,600 in the year ending 1992 and no SYs?

**Mr. Driedger:** Madam Chairperson, we expect a lot less hearings to take place. There are no SYs. The board members are not considered SYs. This is just a reduction in the hearings and the costs that are related to them.

**Mr. Gaudry:** Madam Chairperson, why are the hearings down? Is it the policy of the government to reduce them?

**Mr. Driedger:** The reason why the hearings are down is because if applications are made and they are not contested, then we do not have to have hearings, and apparently that is the approach, so we have less people contesting some of the decisions that are made.

**Madam Chairman:** Item 7.(b) Highway Traffic Board: (1) Salaries \$157,100—pass; 7.(b) Other Expenditures \$59,000—pass.

Item 7.(c) Licence Suspension Appeal Board: (1) Salaries \$191,000—pass; 7.(c)(2) Other Expenditures \$70,000—pass.

Item 7.(d).

**Mr. Reid:** Just one brief question, Madam Chair, on the 7(c)(2). There have been changes in staff years here. Can the minister indicate to me if that

position was vacant? I do not have my list available that he provided for me.

**Mr. Driedger:** Madam Chairperson, let me first of all indicate that there has been a dramatic decrease in hearings under the Licence Suspension Appeal Board basically because of the tough drinking and driving laws, and it is affecting it to the point where we have less hearings, so one individual was transferred to a different position within the department.

**Mr. Reid:** Can the minister give me an indication on the number of licence suspension appeal hearings. I know they gave me a very large number of the licences that are suspended, but can he give me an indication on the number of appeal hearings? Are they all appealed or is it only a portion?

**Mr. Driedger:** Madam Chairperson, I think I probably unknowingly gave wrong information earlier when I indicated there were 3,000 hearings. I will give the member the amount of hearings or appeals that have been made. In 1987, we had 3,062; in 1988, we had 2,734; in 1989, we had 2,248; and in 1990, we were down to 2,000 hearings, and we anticipate approximately the same for the year 1991.

**Madam Chairman:** 7.(d) Taxicab Board (1) Salaries.

**Mr. Reid:** This is one of the areas where I did not have an opportunity to ask the minister questions on in the last Estimates process. Of course, we have seen that those that are employed in the taxicab industry, in the limousine business, have had some serious concerns as to the policies that are in place and the number of LVLs, plates that are being issued and permits that are being issued to these people to operate, and it has seriously impacted on their ability to make a decent standard of living.

Can the minister give me an indication of the reasons or the policy, the reasons why we are going to issue 60 new luxury plates for the taxicab industry?

**Mr. Driedger:** Madam Chairperson, the Taxicab Board is appointed by myself as the minister responsible. They operate almost in a quasi-judicial sense in terms of the decisions that they make. The taxicab industry has been in some difficulty from time to time over a period of years, and it certainly has not been an easy time for them or myself as minister responsible for the Taxicab Board. Maybe the member can recall some of the

delegations that we had not that long ago here in the House where they had major concerns.

The Taxicab Board has held hearings with the industry, with all people involved with the private sector, the users, and based on the hearings that they held and the dialogue with the industry itself, the Taxicab Board has made a decision, that they felt through the hearing process that there was an area where there was a niche, you might call it that, a need for a certain type of taxi.

Based on the hearings that they held, the decision was made by the Taxicab Board to issue 40 licences, elite licences, premium taxi licences. Ten would be accessible taxi licences and another 10 would be an executive car licence, so it is 40, 10 and 10 that basically has been advertised.

The 10 for improvement of transportation for the handicapped plan will require that for every group of four licences sought, one additional licence for accessible taxicab shall also be sought. This opportunity will also provide the opportunity to simultaneously table a package of consolidated Manitoba regulations putting into place a significantly improved regulatory environment ultimately resulting in better service to Winnipeg users, regular meter taxicabs, limousines, executive cars, passenger vans and handicap vans.

**Mr. Reid:** It is my understanding that a certain taxicab company here in the city had expressed an interest in ensuring that there are the appropriate vehicles in service and that there would not be a need to issue these 60 new luxury plates which will further water down the ability of the individuals who are working in the market, trying to make a living.

Has the minister, through his Taxicab Board, given consideration to these particular companies specifying which of their vehicles in their fleet will be designated as that, so that we can provide the certain vehicles that are required for these niches in the market?

**Mr. Driedger:** Madam Chairperson, it is my understanding that the existing operators have the opportunity to apply for these certain classes that are available. The member is not correct; it is not 60 additional special licences. It is broken down: 40, 10 and 10. It was my understanding that the first priority would probably be those people who are in the industry right now being able to bid off on these kinds of licences that are available.

**Mr. Reid:** Can the minister give me an indication of what the fee is going to be for these new plates?

\* (1610)

**Mr. Driedger:** Madam Chairperson, initially, it was my understanding that there would be a charge of \$36,000 or \$38,000 per licence. It was my understanding that in the advertising that has been dropped and the Taxicab Board will be looking at business applications, by and large, to see whether they can ensure viability, et cetera. Having heard that, I have asked the chairman of the Taxicab Board to take and provide me with rationale and updated information. I do not have that at the present time.

**Mr. Reid:** If the original operators who are in the business now had to pay a fee based on the highest figure that we have heard here, which is \$36,000 or \$38,000—and I am asking the minister to clarify that portion for me, whether or not they had to pay that fee when they received their original plates—and these new plates that are going to be issued at a lower rate, is there not some unfairness that is built into the system by bringing in a two-tiered price scale in there, considering those who have been in the market for such a long time, and now we are issuing new plates at a lower price. There seems to be some inequities built into the system by doing that type of a policy.

**Mr. Driedger:** Madam Chairperson, one of the problems that the industry has faced to some degree, they have indicated that they were making minimum wage in many cases, and operators have indicated that there is no need for the extra service that is being provided. However, I want to indicate that taxicab licences have been sold and transferred to one another with the cost being as high as \$50,000-\$60,000, I believe. So I think that there is some concern, that there is some value in that when we issue licenses, because some of them who have bought them live very frugally and as a result have an investment in there which basically is their retirement fund to some degree. Anytime you talk of changing that aspect, their investment in there, some people get very nervous about that end of it. I just put that on the record because there is a lot of difficulty in the industry, and I am hoping and have the confidence that the chairman, who is also the chairman of the Motor Transport Board, Don Norquay, in the hearing process has a good understanding of what is required in the industry and

will deal with it in such a manner that it is going to be acceptable to the general public.

**Mr. Reid:** That fee issue leads me to another area that was brought to my attention. I know the minister was probably familiar with it, and that is the limousine industry. There were some new licences or plates or authorities or permits, whatever you want to call them, that were issued back in 1989-90. They seem, according to the list that I have here in front of me, to have been issued in what I would consider to be an unfair manner, considering everyone that was in the industry at the time received one additional authority.

Whether you had four vehicles in service at the time or you had one vehicle in service at the time, you only received one additional permit. Those with one got a 100 percent increase in the possibilities of generating income; those with four vehicles in the business only had a 25 percent increase. Can the minister give me some indication on why this type of a policy would be in place, this type of inequity or unfairness in the system?

**Mr. Driedger:** Madam Chairperson, I cannot necessarily indicate why the decision was made that way. If the member is concerned about the fairness or unfairness, I want to indicate that the chairman of the Motor Transport Board, who is also the acting chairman of the Taxicab Board, who was there when I took over office, has been known as a very fair, nonpolitical individual. In my affiliation with him, I have learned to have a lot of respect for his integrity, for his way of dealing with the general public and dealing with them as fairly as, I think, anybody could. I rely very much on the fact, without having the explanation why it was done that way, that he will have done it in the best interests of the industry as well as the users. I am totally confident of that.

You know, where sometimes we get a little suspicious because of the board members that I have appointed—the member had some question about that—well, I have to tell you that I have also inherited some people that are very qualified people. This is one of them, and I have all the confidence in him.

**Mr. Reid:** Can the minister give me an indication on the number of authorities that are in circulation for the limousine industry? The fee structure, he could, if they have that information, provide me with a fee structure when it is available. I believe that there were some recent changes to the limousine

fee structure as well. If the minister could provide that, I would appreciate it.

**Mr. Driedger:** Madam Chairperson, I wonder, with the indulgence of the member, whether I could take that as notice. I do not have that precise information here because I do not have the chairman available to me at the present time.

I will try and get that information and forward that. Mr. Dyck here has taken note of it, and we will try and get that information to the member.

**Mr. Reid:** I do not have a clear understanding, myself personally, on the taxicab licences or driver licences, the fees that are charged. Does the minister also have that information available?

**Mr. Driedger:** I do not have that here, but I will include that in the information that is sent forward to the member with the other information.

**Madam Chairman:** Item 7.(d)(1) Salaries \$207,200. Shall the item pass?

**Mr. Gaudry:** Yes, Madam Chairperson, I noticed in the Salaries there was one staff less, but there is a substantial increase, like Administrative Support, for example, around 30 or 33 percent.

**Mr. Driedger:** Madam Chairperson, I would attribute that to the amount of hearings that were held. These were the costs that were involved with hearings. Extensive hearings and meetings were held, just the straight costs of having the public hearings for the Taxicab industry, for the public people, and there was an extensive series of those taking place. I can attribute that only to that.

**Mr. Gaudry:** No, but, Madam Chairperson, to the minister, it says, two staff at \$56,300 and then the same thing for \$75,000. That would not indicate overtime, because they are not on a contract basis.

**Mr. Driedger:** Madam Chairperson, my financial accountant here indicates that should actually have been in the third line, not in the second line, because it is related to the cost of the hearings.

**Mr. Gaudry:** Madam Chairperson, could the minister give us an explanation of the "Realignment of Board activities."

**Mr. Driedger:** If I understand the question correctly, Madam Chairman, it is why there is a reduction, what has happened there. When we were dealing with the 11-passenger vans in the Taxicab industry, we had hired an individual to study it and bring forward the recommendations and the

report. Once that was done, we did not need that person any more.

**Mr. Reid:** Because I still have some questions in my mind about the limousine business and the taxi industry, would the minister have any objections if I was to communicate with Mr. Norquay on his board to get further explanation on why some of the decisions were rendered? The minister has indicated that this is more or less a quasi-judicial board, and I thought it might be appropriate for me to go directly to the person who is making the decisions. Would the minister have any objections to that?

**Mr. Driedger:** Madam Chairperson, I personally cannot see any difficulty in that. However, I will check with the chairman to see whether, as a quasi-judicial board, that would be construed as influence to some degree. If it is just for information purposes, I cannot see any reason why not. I will have my assistant phone, check it out, and we will be in touch with the member.

\* (1620)

**Madam Chairman:** Item 7.(d) Taxicab Board: (1) Salaries \$207,200—pass; 7.(d)(2) Other Expenditures \$57,100—pass

Resolution 80: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,488,500 for Highways and Transportation, Boards and Committees, for the fiscal year ending the 31st day of March, 1992—pass.

Item 8. Expenditures Related to Capital (a) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects \$102,500,000.

**Mr. John Plohman (Dauphin):** I would imagine the minister may have some other staff here, but I want to draw his attention to a couple of projects in my constituency that I would like to have some status report from the minister on, the first one being Highway 274 north of Gilbert Plains. It is a very narrow section of road that needs widening desperately. A lot of agricultural equipment travelling on this road back and forth, they have got nowhere to go when vehicles pass, because there is absolutely no shoulder whatsoever. It is paved, but no shoulder.

They have been sending resolutions in for some time to the government to have it changed. I became aware of it about three years ago, I guess, shortly after the government changed and so was

not in a position to have the government make some major changes immediately, and I would ask the minister whether he has received resolutions to this affect from the R.M. of Gilbert Plains, perhaps the village, and whether he is going to be putting this forward for consideration in the next year's program, either for acquisition of property, if that is still necessary, or whether the design work has even been done for a wider road in this area.

Hopefully, of course, the construction could take place, but I understand that there are preliminary steps that may or may not have been taken for this particular piece of road. The minister can maybe shed some light on that one, 274 north of Gilbert Plains, as well as 276 to Skownan from Waterhen. There is a strong need to pave that section of road. It was upgraded to pavement standards, very wide, costly to maintain, because it is built for paving, and the Waterhen band is very anxious to have this road paved. It was intended to be paved, the minister has received a letter from me to that affect, and it is one that I think can result in substantial tourism improvement in that area if this road is paved. So I would like the minister to perhaps report on that.

Another one in my constituency up at Waterhen is the South Mallard Road. It is not a numbered highway, but the North Mallard Road was upgraded by our former government, because it was falling between the slats and neither Northern Affairs or Highways would do the work. They kept saying that it was the other department's jurisdiction and then Highways jurisdiction and back and forth.

Well, I know the minister still has those kinds of situations, and perhaps that becomes a football bouncing back and forth. I think the minister should use the precedent that we used in that particular situation where we upgraded the North Mallard Road to do this few miles of road, because it is really in deplorable condition in the spring particularly, but all year round, because it is basically a dirt base, and it just cannot stand up to any rain at all. There are ruts in the road, and there are a number of people that live along there. It is quite an important road along the Waterhen River on the east side.

Those three roads I wonder if the minister has something to report on those.

**Mr. Driedger:** Madam Chairperson, I do not have the precise information on all three of these highways. We will give the member the undertaking, I have got staff taking down the road

numbers and the information. I will take by way of writing and give him updated information on all three of these, what the status is on 274, whether we have done the design work, whether we are in a position already to buy the right-of-way; the same thing with 276. I will also take and look at the status of the North Mallard Road, and if that is acceptable to member, then I will get that information because they do not have the details here right now.

**Mr. Plohman:** I would appreciate that, and I indicate to the minister that I realize he has a lot of requests to deal with, having been in that position before, and I think that these municipalities and these areas have been very patient insofar as their waiting for some positive response from the minister.

The local engineer is very aware of these projects and the need for them so I would urge him to, first of all, give me an update in writing as he has promised, but also to bring these forward for either the pre-tender program coming up or next year's program. Of course, pre-tendering is probably part of the approved projects at this time, although—no, I believe there are some new approvals that go into that. He may want to look at one project in here, if not more.

Also, when we are dealing with this whole section of capital, the grant-in-aid has been cut back this year substantially, and the minister as a result has been cutting back on some projects, a very modest request in some areas.

The Town of Dauphin has requested a project in Dauphin for paving. The amount approved is \$50,000 for the Town of Dauphin, some \$12,200 short of being 50 percent of the project, and the Town of Dauphin has sent a letter to the minister asking for an additional \$12,200 to be approved so the project can be done efficiently this year rather than splitting it into two projects, and if not, to prioritize it on a basis for next year.

Now, with the minister's programs being cut from year to year like the bridge program, grant-in-aid and assistance to local government districts, I know he cannot make a lot of promise, but for a small amount of \$12,200, I believe this is a reasonable request. The letter was dated July 16, and the resolution dated July 15, by the Town of Dauphin Council.

Could the minister please indicate his response or anticipated response to that resolution and letter

that was sent to him and he should have received just recently?

**Mr. Driedger:** Let me first of all indicate that I have always been a very strong believer in the grant-in-aid program. I think it is a very, very good program for towns, villages and cities. It was with great concern that I have had to experience a 33 percent reduction in that program.

What happened when this decision was made to go this route, and the member is well aware, what I did, I took all the applications that were under \$15,000, by and large, and approved them. The intention was to try and help as many communities as possible. Then we moved into the area of between \$15,000 and \$30,000 and most of those projects were approved. When we got into the bigger amounts, over \$30,000, where some communities and cities have applied for as much as \$200,000, there was limited funds available in that category.

What we tried to do is prioritize as best we could to try and be as fair as possible, looking at those who had received in the last year, and used various criteria of that nature to try and establish who we should authorize funding for to try and be as fair as we could. The other thing, because we were transferring back 2,000 kilometres of PRs to the municipalities, indicating to them that they had to share in the pain, I have used the same approach to some degree with some of the grant-in-aid, the bigger applications, indicating that they would have to possibly share some of the pain.

\* (1630)

In the case of the Dauphin situation, I want to indicate to the member that Dauphin, as well as some others of the ones that we approved not to the full extent of 50-50, and I have difficulty with the fact that I have not been able to—it is a 50-50 grant-in-aid program, and we have not been able to deal with it on that basis with everybody. I have various requests coming in where communities who have not received the full 50-50 have asked whether they could get further consideration.

I have instructed staff that in some cases municipalities will not be moving forward based on the fact that they did not get full 50-50. If there is money left over, then I would take and allocate it to some of these projects to make sure it is 50-50. Those that then withdraw and do not proceed, it



would be my intention and hope that I could take and give them first consideration for next year.

I do not know whether that necessarily gives the member a comfort level, but we are trying as hard as we can or as best we can to try and be fair and accommodate the communities. As I say again, I think it is a very good program, the 50-50 grant-in-aid, and I hope that we can restore the full funding to that at a future time.

**Mr. Plohman:** The minister has indicated how good he thinks it is. He has only cut it by 33 percent. -(interjection)- Well, I do not know.

The minister did not deal specifically with the resolved portion of the resolution that was sent by the Town of Dauphin and that is, either find \$12,200 for approval in addition so that it would be 50 percent, or alternately, prioritize the aforesaid additional estimated grant of \$12,200 into its '92-93 fiscal year, so for next year's budget.

I know when I was minister, we did make that commitment. The minister just said where they withdraw, he would give them first priority next year, he would try, but he did not deal with the issue where they would go ahead this year and actually flow the dollars but receive the grant next year for that portion that brings it up to 50 percent.

**Mr. Drledger:** Madam Chairperson, I will give that consideration. I will not make that as a commitment now, but I will give it consideration and try and see whether I can accommodate their request.

**Mr. Plohman:** I hope the minister will be able to do that, either through a project that may have not gone ahead or put this on the top of his priority list for money to be reprioritized from projects that did not go ahead, or failing that, to do as asked by the town and that is, to commit those dollars next year even though they are flowed this year on the basis that the request is made now.

Now, Madam Chairperson, I want to ask the minister a couple of other questions. The bridge program was reduced this year and for all intents and purposes eliminated, notwithstanding the fact that some 16 projects were, I believe, in letters to the R.M. of Gilbert Plains, approved for design and one for construction. The minister, in that bridge program which he and his government talked a great deal about last year as being very important, very necessary, something the previous government failed to do, should realize that, by starting this program last year, he had an obligation

to at least see those projects through that were on the books and had been approved for the beginning stages, to see them through to completion. He should have said to his colleagues in the Treasury Board, I cannot cancel out on these municipalities where I have already given approval for the first stages.

So here we have a case in the R.M. of Gilbert Plains, not a wealthy rural municipality, that has undertaken a major bridge over the Valley River at a cost of some half a million dollars, a major bridge for an R.M., and they have spent \$38,000 up to this point in time, under approvals by the minister, for engineering costs. It is ready to go to tender. They have not even received the full half of that \$38,000 from the minister under previous approvals. They have only received \$8,000. They have not received the rest of the half. They need another \$11,000 or so to get 50 percent of the \$38,000 that they spent, but there they are hanging now with all that work destined to go up in smoke unless the minister can get some money even for them next year.

If this could be just delayed one year, fine, but by eliminating the program that he started last year, he now has these municipalities in a position where they may have to waste, in this case, nearly \$40,000 of taxpayers' money because they cannot afford to do it. -(interjection)-

Now the Minister of Northern Affairs (Mr. Downey) is making some silly statements again. He does not know what he is talking about. He should go up to the people north of Selkirk and talk to them. Okay? In the meantime, go and sit down and do not say anything here because you are wasting our time.

Madam Chairperson, in this case, the Minister of Highways and Transportation realizes that he has raised the hopes of this municipality and many others, and now has cut them off at the knees in the middle of this planning. So I say to the minister, first of all, will he give a commitment today to match the funds, pay up and live up to his word on at least the engineering costs that he has sent them letters saying he has approved? Secondly, will he reinstate the funding to the tune of some \$300,000 for this project—they were budgeting up to \$200,000 this year—so that this bridge can be constructed and that \$40,000 that was approved on the basis of the minister's commitments will not go to waste because in fact that is false saving? That is waste of government dollars, not efficient use of taxpayers' dollars.

This bridge is located NE 12-25-23W over the Valley River in the R.M. of Gilbert Plains.

**Mr. Driedger:** Madam Chairperson, the member is correct. When I brought that program forward, the Rural Municipal Bridge Assistance Program, I felt there was a very definite need for that program. Yes, we lauded it as a very good program. I think many municipalities would never be in a financial position to be able to undertake some of the structures that basically they need. So I was very excited when I brought that program forward.

Unfortunately, the economy of the province is such that within my department, as well as some other departments, cuts were required to be made so we could maintain the certain other departments of Health, Education and Family Services. Unfortunately, in my particular case, the program was cut back to just complete what we had made commitments to in the first and second stages.

I can give the member the undertaking that as far as the engineering costs are concerned, I will have that checked out and see exactly what has happened in that particular case. I will not give him an undertaking that I will make the commitment, in terms of having the money available for the Gilbert Plains municipality or any other at the present time until—I am still hopeful that as the economy changes—I believe it is a good program. At the present time it is terminated, but I hope that it would ultimately be reinstated so we can continue with the building of structures that are much needed in many of the municipalities.

**Mr. Plohan:** If the minister could reinstate the program for next year, even to get the money, to indicate to Treasury Board that he is prepared to take this money from unused capital funds, in the Capital Construction Program, to honour his commitment for these bridges that were started, in terms of the engineering costs, at least, not just those that were actually under construction.

It is just as serious to back out at this point on those that were in the middle of engineering when he—you know, they had a private consultant, Roziere Engineering Inc., who received \$38,000 for this project, or incurred that much cost in their engineering work. Now the municipality is having to pick up that whole shot and will not be able to proceed with the bridge.

If that sits there for two years or so, that is going to be obsolete. They are going to have to get all the

engineering done over again, and it is a complete waste of taxpayers' money. It cannot sit there forever. It has to be reinstated very shortly or this money is going to be lost, and it is going to be on the shoulders of the minister who promised, because he sent a letter and he committed funds to the design and the engineering costs on the basis that this was going to be an eligible bridge under the Rural Municipal Bridge Assistance Program.

He should be able to make a strong case to Treasury Board that this should be as high a priority as any other project that he has. He has a capital program with some flexibility. If he gets a lot of rain during the construction season, which has already happened and may happen in the fall, he can easily find a million dollars to go out and deal with these few programs so he can say he honoured his word and his commitment to those municipalities, because he is the reason that they incurred these expenses.

\* (1640)

I think he missed the point about the wasted taxpayers' dollars there, money spent that will never be recovered if that bridge does not go ahead. So I ask him to look at it from that point of view and do everything possible, with his colleagues in Treasury Board, to take some money from the Capital Highways Program to something that is so important for these municipalities, even if he makes no further commitments but to honour his previous commitments.

**Mr. Driedger:** Madam Chairperson, I indicated to the member that I would undertake and look at what has happened in terms of the engineering cost to make sure they get treated on a 50-50 basis. I will review that and check into that.

The member indicates that, because of the engineering, this is going to be lost. Well, Madam Chairperson, within my Department of Highways, we have some designs that have been sitting there for 10 years, and they are still usable. I would hope that this would not necessarily have to take that period of time, but I want to indicate that, for the present time, I cannot make that financial commitment. If possible, I would like to have that program reinstated in the future because I think it is a good program. I would hope that, there where their engineering has been done, this work will still be applicable, be able to be used and not have to be redone.

**Mr. Plohman:** Madam Chairperson, at the same time this minister is cutting out and renegeing on his commitments to these municipalities on bridges that he has made commitments to last year and the year before, he is also offloading roads onto municipalities -(interjection)- Well, I want to say, you did not cover this specifically.

I did not see the Hansard, but this is specific to my constituency where the R.M. of Gilbert Plains and the R.M. of Grandview both have submitted resolutions to the minister saying, and I quote, that the R.M., in this case, Grandview, refused to accept responsibilities for the maintenance or upkeep of any provincial roads in our jurisdiction. The R.M. of Gilbert Plains: Therefore be it resolved that the R.M. of Gilbert Plains refuses to accept responsibility for the maintenance or upkeep of any provincial roads in our jurisdiction. In other words, they said they are going to refuse.

Is the minister going to resort to legal action to force these municipalities—totally unprecedented. This whole thing is totally unprecedented, where the province has always negotiated and come to consensus with municipalities on trading roads, taking over roads. This is unprecedented, to dump these roads on the municipalities. They are now starting to fight back. They are standing up and saying, we are not going to take them.

The minister apparently told our Highways critic, the member for Transcona (Mr. Reid), the legal opinion is that you have the right and authority to do this. I ask the minister, is he going to take legal action to force the municipalities who say they will refuse? Is he going to take legal action to force them, or will he now rule out that option as totally untenable and unacceptable?

**Mr. Driedger:** Madam Chairperson, I went through this issue yesterday, and I am prepared to go through it again. I indicated when I went to the regional meetings where I faced the municipal people myself and indicated why the decision was made, gave the rationale for it and told them what the process would be. If the member wants, he can take -(interjection)- Also, what I put on the record yesterday, I can repeat all that and indicate the process, why we did it, but I want to indicate to him, the decision is made that there will be 2,000 kilometres of roads transferred back to the municipality.

I met with the UMM executive, and the one thing I did not ask them was to approve the process. What I asked them to do is say the process, what I was doing, I was doing it fairly, that I was treating all municipalities as fairly as was humanly possible, that everybody carry a certain amount of the responsibility in a fair and equitable way. They agreed, by and large, the executive, that the process that we have undertaken is fair.

I have Doug Gourlay who is going around to talk to the municipalities, explain and see if there are any major options, other options, that they would want me to consider. If there are no other options that they want to discuss, then, by and large, this is what will happen. They will receive the responsibility of those roads.

**Mr. Plohman:** Madam Chair, so the minister is saying, and he is prepared to go to any length including legal action to force these municipalities to take over these roads. He is not ruling that out. I will leave that on the record, and the minister has obviously not heard the last of that.

Insofar as the Trombowla road that I raised with the minister the other day, has he made any progress in raising this with his envoy, with his consultant, Mr. Gourlay, insofar as directing him to find other alternatives in the R.M. of Dauphin, that this one is unacceptable in light of the historic significance and cultural significance of that road and the site that it leads to, to the Ukrainian community in Manitoba?

**Mr. Driedger:** Madam Chairperson, I have raised it with Mr. Gourlay and indicated that when he meets with the R.M. of Dauphin, to take that into consideration to see whether there are other options.

I do not like what I am doing, but this is my responsibility to do it, and I try and do it in the fairest and the best way that can be done. If municipalities have concerns, we will try and treat them with the best fairness that we can in terms of giving consideration to their views. However, they still will take the roads back.

**Mr. Plohman:** Madam Chairperson, we know that many municipalities are not going to accept roads. That has not been what the R.M. of Dauphin, I understand up to this point in time, has said. They are attempting to play a very unpleasant, I guess we could call it game, but it is probably more serious than that.

They are trying to play by the minister's rules, even though they are very unpleasant, being imposed in an unprecedented way by the government of Manitoba. Even though they condemn the federal government for offloading, they are doing that themselves. The R.M. of Dauphin is, I guess, attempting -(interjection)- Well, that compensation is peanuts. It is nothing. It is only for one year. You are not fooling the municipal councillors when you give them peanuts, because that is gone after the first year and that is the end of it, so do not talk about compensation.

The fact is, it is, yes, unpleasant, but I ask the minister to show some leadership. Has he talked with his colleague the Minister for Culture, Heritage and Citizenship (Mrs. Mitchelson) about the history of this particular piece of road, that 491 to Trombowla? Has he talked about the kind of message that this sends to the Ukrainian community in Manitoba and Canada on the 100th anniversary of the settlement of the Ukrainians in Canada by now turning around and renegeing on a commitment that has been made to take over this road which we did, and to upgrade it, not just to take it over, but to upgrade it?

A lot of money has been spent on design work and acquisition of properties. It is ready to go. It was in the program ready to go when the minister took over for government for upgrading, for widening. They have been asking, and they have sent a resolution to the minister, they have been asking for this upgrading to take place by the centennial of the R.M. of Dauphin, at least by 1997. They want a commitment to get that upgrading and paved.

The minister says instead, here is his answer, we are going to give it back to you. I am asking the minister, in light of the fact that this is an historic site—we made progress. We have an historic site here, a cultural site. The first open-air mass, Ukrainian mass was held at that site in 1897, now 95 years ago.

\* (1650)

Will the minister show some leadership and simply say, as a result of his discussion with his colleague the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) that he will not consider this one and just instruct his consultant Mr. Gourlay that this one is not acceptable; please find

another one? Not "if there is other alternative"—just say, find another one; this is not acceptable.

**Mr. Driedger:** Madam Chairperson, I will wait until Mr. Gourlay has met with the municipality. At that time, I will sit down with Mr. Gourlay, and I will try and give fair consideration to the request.

**Mr. Plohman:** I appreciate the minister's serious undertaking of this issue because I believe it is extremely serious.

Can the minister indicate whether he has been approached to write off any further monies owing the Department of Highways from the Selo Ukraina site, which was developed in 1984 and finalized for the Queen's visit, officially opened by Her Majesty, Queen Elizabeth II, in 1984, October 5?

The road to the site was designated a provincial road and was constructed as such, but there is another portion of a road where it is on the Selo Ukraina property, was upgraded by the province as a debt owing, as funds owing. Has this debt been written off, or has there been a request to write it off by the Selo Ukraina board?

**Mr. Driedger:** Madam Chairperson, my information from staff is that consideration is being given to writing this off. I will have more details on that at a later time. I do not have all the details here. Apparently there is other debt as well, but my understanding is that this is one of the first considerations that will be given in terms of writing it off. It is not my department that does the write-off; it is the Department of Finance that will be giving that consideration.

**Mr. Plohman:** Can the minister indicate whether he has had any approach made to him by the Selo Ukraina to have them designate a further portion of the road which is up the escarpment—if he needs to purchase the right-of-way for a dollar, I am sure they would not charge him anything because they want him to take the road—whether there is any consideration or any request by Selo Ukraina to have him take over the road section to the top of the escarpment to the site?

**Mr. Driedger:** Madam Chairperson, I cannot recall that there has been a request. However, I will check my files to see whether they—on the top of my head I cannot recall if that request has been made. I will have staff check to see whether there is any correspondence on file where they have made the request.

**Mr. Plohman:** The rationale when this road was taken over was that the property that was purchased for the building of the road to the site that was owned by Selo Ukraina board was owned by a separate owner, and the government purchased the right-of-way and built the road on that right-of-way. However, the property where the remainder of the road exists was on Selo Ukraina property and therefore did not belong to the Highways department, so we did not accept responsibility for that portion of the road.

The Minister of Highways knows that the Ukrainian Festival, Canada's National Ukrainian Festival, is a major festival in Canada. It has now been in place for some 26 years this year. The site is a permanent home for Canada's National Ukrainian Festival, the Selo Ukraina site, and, as such, the road leading to it, I think, would qualify as a provincial road in its entirety even though that portion right now is not provincial.

I know there is a willingness in talking to some of the board members to try to reduce their costs because they have not been able to secure an interest-free loan from government or any other type of guarantee, so that they would not be constantly saddled with the debt that is making it very difficult for them to be viable as an entity in the area.

It would be a shame to have this lost to the people of Manitoba as a major tourist attraction as it was envisaged when it was constructed. It would also be a negative chapter in the history of the Ukrainian Festival which, as I said, is a national Ukrainian Festival.

I ask the minister to review this issue, insofar as not only the write-down, but also the takeover of that portion of road that still is not in the hands of the province, with a view to maintaining it and supporting this site and this festival through that act by this minister, especially in light of the requests that have been made.

**Mr. Driedger:** Madam Chairperson, I do not have enough knowledge of the circumstances there. I will apprise myself of all the information and have a look at what is involved and then try and give fair consideration to the matter.

The member indicates that the Ukrainian Festival out there is national. I want to indicate to him that the area that I represented in Emerson for 13 years, we had the Flower Festival at Gardenton, which is also a significant Ukrainian festival.

I certainly can feel very supportive of these kind of ethnic cultural organizations and some of the activities they have put on. I will acquaint myself with exactly the details of what has happened out there. I have not done that. I will do that and then I will correspond further with the member.

**Mr. Edward Connery (Portage la Prairie):** Madam Chairperson, just a very short comment. I was listening to the comments of the member for Dauphin railing about Highway 491 being one of the highways being suggested to be turned back to the municipalities.

The member for Dauphin was the Minister of Highways and Transportation, and while he was the Minister of Highways and Transportation, he did have ample opportunity to pave that road, but we have to take a look at Highway 276 that the member, who was then the Minister of Highways and Transportation, paved to the Waterhen. It is only a coincidence, I suppose, that the member for Dauphin had a cottage at the Waterhen.

**Mr. Plohman:** It is typical for the member for Portage—

**Madam Chairperson:** Order, please.

**Mr. Driedger:** If I may have the indulgence of the committee, I find an interesting debate developing here, while I go and have maybe just a little walk down the hall.

**Mr. Plohman:** It is interesting that the member for Portage la Prairie would again stoop to the kind of sleaze that he is used to. He accuses others of sleaze and conduct unbecoming to them, the Liberal Leader and others, whenever he has an opportunity, but he has never acknowledged himself as one of the foremost experts of that in this House.

The minister should be well aware that the highway to Waterhen, 276, which I have asked the minister to consider finalizing the pavement up to the Skownan and up to the Waterhen Reserve, is a major highway for that area of the province.

It has waited years and years and years for upgrading, and when I became aware of that through my involvement there, of going to my summer cottage in that area, knowing what the roads were like there to those residents who deserve, who are taxpayers of Manitoba, who have lived there for many, many years, homesteaded there, and the kinds of roads that they had to put up with, I became only too aware of the need to serve those constituents. If the member for Portage la

Prairie does not like that, he should go the communities of Waterhen, Mallard, Skownan, Salt Point, Meadow Portage, Manipogo, Toutes Aides, and tell them that they should not have a paved road, that they should only be in southern Manitoba in his constituency, and that those people, taxpayers in that area of the province, do not deserve to have their roads upgraded and paved.

I will also draw to the member for Portage la Prairie's attention—because that is what he is saying, that they do not deserve to have their roads upgraded, and he attempts to make some kind of slimy reference to a cottage on a provincial highway, No. 276—not to my cottage, not off to the side, to the cottage, as he would like people to believe, off a major provincial road, No. 276, that serves all of those residents of the area, to make slimy reference that there was any connection between the fact that I had a cottage there and these people who lived there and needed their road paved. That is why the road was paved.

\* (1700)

Let not the minister cast any further, the member cast any further aspersions. I call him a minister. He is unbecoming of a minister, and he is suitably not a minister after having served in a very aborted attempt at it here in the previous Legislature. I think that is slimy conduct on the part of the member, and I will not stoop to making those same kinds of allegations against this member in many different ways which I could do if I wanted to return the same kind of language and aspersions on his character that he might want to make on mine. It had no bearing, and the member should withdraw and apologize.

**Mr. Gaudry:** Madam Chairperson, I have received a call from an Angela Williams from Neepawa. She and her husband own a store at the corner of Highways 357 and 466. It seems the Highways department has been putting gravel over the paved highway and this is causing no end of problems for the Williams as they have a general store just a few feet from the highway. The dust is so bad, it is affecting their health. She is pregnant. He is suffering from a lung condition.

They have called the Minister of Highways and Transportation and spoke with a Dennis who in effect told them to expect these conditions when you live out in the country. They also spoke with Mr. Glen Cummings' assistant, Brent Kroeker, but are

wondering if there is anything that can be done for them.

**Mr. Driedger:** Madam Chairperson, I am asking the member, is that letter addressed to me or is it addressed to the member himself?

**Mr. Gaudry:** Madam Chairperson, it is a phone call that we have received and I have noted. I will send the information to the minister if he wishes.

**Mr. Driedger:** Madam Chairperson, if the member would take and give me that information then I will have staff look after that.

**Mr. Maloway:** Madam Chair, I would like to ask the minister a few questions related to the idea of mandatory safety requirements for used vehicles when they are sold in this province. This is an idea that has been not only talked about for many, many years, but actually I believe been legislated at least twice, maybe three times.

The governments of the day when they have brought in legislation have, in the final analysis, backed off fearing the wrath of the voters have backed off and not proclaimed the legislation. I know that the minister is quite sensitive to this issue given that the Consumers' Association teamed up with the Motor Dealers Association, and a radio station here launched a major campaign as advocates for this idea.

I was rather interested in knowing what became of this idea, because it seems to be one of those that seems to have been lost or there seems to have been sort of a lack of enthusiasm on the part of the minister to pursue it. I just wonder whether the minister could enlighten us as to what the current status of that idea is.

**Mr. Driedger:** Madam Chairperson, I ask your guidance to some degree. We are under the Capital program of my department. I do not really care. It is up to, I suppose, members of the committee. I can sit here all day and debate issues, but by and large we have gone through all aspects of it. We are on the Capital Program. -(interjection)- That is fair enough with me, because otherwise—I would have more of a comfort level that way with it than start deviating from our Capital program and then somebody else comes in and we start all over again.

**Madam Chairman:** Item 8.(a) Construction and Upgrading of Provincial Trunk Highways.

**Mr. Reid:** Madam Chairperson, I have a few questions I would like to ask the minister under the Expenditures Related to Capital. I know I have asked the minister some questions on the road into the Oak Hammock Marsh and got suitably burned when I asked those questions because of my inexperience.

The Provincial Road 220 into Oak Hammock has been targeted for upgrade, and the minister has supplied us with, I believe it is a four-year plan on the monies that are to be expended for the different phases of development of that road. It is supposed to be completed by 1993-94. Will the minister give me an indication as to the exact area that the upgrade is supposed to encompass, how far the development of that road is going into the Oak Hammock site?

**Mr. Driedger:** Madam Chairperson, I do not have the precise information on that, but I want to repeat again, as the member gets too enthusiastic, feeling that this road is being upgraded because of the proposed Ducks Unlimited development up there, this road was taken over by the previous administration, and the rationale for the upgrade basically was done based on the kind of traffic that is going in there now, not for the proposed traffic that could be there for the future.

I have no problems in justifying the activity that we are doing with the upgrade there because that was what was in mind when the previous administration took over the road, so we are just following through on that kind of a concept. The details of it, I do not have available for me here. If the member wants, I can try and get some of the details.

**Mr. Reid:** I thought that the minister would have had some support staff to give him an indication on the construction projects, that he would have been able to answer that so that I would have an indication on how far the plan was for the construction to take place.

The other question I have has to do with the further development of the road because there is a road at present, I believe, that goes around to the viewing mound at the far end of the site. I am not sure whose responsibility it is to maintain that road and whose responsibility it is going to be, should that road require upgrade. Does that fall under the minister's department, and do they have plans to undertake any kind of upgrading for that extension roads system?

**Mr. Driedger:** Madam Chairperson, whether I had my ADM of Construction here or not, that kind of detail he would not even have available to him here. I will have to take these questions specifically as notice and try to get the detailed information because, as I say, even if my ADM was here, who was here yesterday and could not be here today, we would not have that kind of detail without going back and looking specifically at the plans and getting that information. I will do that and get that information.

**Mr. Reid:** Since the minister does not have that information available, I will put a couple more questions on the record, and he could, if he would, get back to us with the information.

I would also like to know what the distance from the end of the current road upgrading project that the minister has supplied the information for, the distance from that to the viewing mound, and also whether or not it will be the responsibility of his department, or will it come under Natural Resources, or will it be Ducks Unlimited who will be responsible for that road, and who, also, is going to be responsible for maintaining it in the future? If the minister could give me an indication on that, I would appreciate it.

There was some correspondence we have had with the minister's department, talking about projects. One project was the highway cutoff to Steep Rock, No. 6 Highway. There were some concerns there for the safety, particularly where school buses were involved. Since that is a relatively well-travelled route, particularly with truck traffic, there was some concern that there was a blind corner there through inclement weather, and it could put the children who are travelling in the school buses at risk. What plans does the minister's department have to move ahead with the widening of the extra lane around that particular turning point off No. 6 Highway into the community of Steep Rock?

\* (1710)

**Mr. Driedger:** Madam Chairperson, I want to give the member an indication that the questions he put on the record regarding anything to do with Oak Hammock, I will try and get updated information on that. The same thing with the Steep Rock turnoff. These are the kind of specifics that, when you look at the total road system of almost 20,000 kilometres in the province, I do not have all that detail available to me at the present time. I will take that one as

notice and return that information along with the other information on Oak Hammock.

**Mr. Reid:** I thank the minister for that.

There has been some discussion of late in the media about the Brookside twinning, the overpass structure and the road system that is part of that roadway there. There has been some suggestions made by elected representatives from that area. They had talked about toll booths to pay for the expansion and improvements to these areas, the overpass or the road systems.

I would like to know the minister's position on toll booths and any charges—

**An Honourable Member:** Toll roads.

**Mr. Reid:** Toll roads—any charges that have been proposed by this particular elected representative from that area. What is the minister's position on toll roads and toll booths?

**Mr. Driedger:** Madam Chairperson, in spite of what Peter Warren has to say from time to time, there are no tolls in Manitoba.

**Mr. Reid:** Do I take it from that response that—

**An Honourable Member:** . . . bristling.

**Mr. Reid:** The minister is bristling. There is no doubt.

I was aware that there were no toll roads in the province, but that does not mean that it would not be the policy of the government to implement these in the future. I want to know what the minister's intentions are in this direction.

**Mr. Driedger:** Madam Chairperson, as long as I am in this office, there will be no tolls. As long as I am in this government, I will make sure and do my best to make sure there are no tolls.

**Mr. Reid:** Well, I am happy to hear that.

Can the minister give me an indication—I ask this for information—are the No. 1 Highway and the Yellowhead Highway the responsibility of the federal government, or are these maintained on a cost-shared basis?

**Mr. Driedger:** I see it is time that I give the member a bit of a lesson in terms of provincial responsibility and federal responsibility. The No. 1 Highway and No. 16 Highway have always been provincial responsibility. During the early '70s, there was some financial participation from the federal government in terms of just paving the two lanes. That has been the extent of the participation of the

federal government. It has always been totally the responsibility of the provincial government, and it is for that reason that we are promoting very strongly the National Highway Program.

There was a cost-shared arrangement between four provinces and the federal government in terms of the Yellowhead No. 16 Highway where certain projects qualified and certain money was shared by the four provinces and the federal government, but the extent of federal participation financially in the highways in the province is very, very limited. It is very limited in western Canada.

Seemingly, the people in eastern Canada have a better success in terms of negotiating cost-sharing arrangements with the federal government, but I want to indicate to the member that the National Highway Program which my department has played a very, very strong role in, I am hoping, by the time the Council of Ministers meet this September, that we will be making more progress. I am still optimistic that somewhere along the line, ultimately, the federal government will participate in the National Highway Program.

Canada is the only developed country really that does not have a national system, and I think there is a major responsibility that lies on the federal government to participate, when you consider that they collect almost \$5 billion worth of taxes off our highways and return less than 15 percent to the provinces.

**Mr. Reid:** The reason I ask that question is, we seem to be expending considerable dollars in this project, as far as capital expenses are concerned, to improve and upgrade the Trans-Canada Highway. I see again that there are still programs ongoing where considerable sums are being expended in the Portage la Prairie constituency to upgrade the No. 1 Highway and overpasses in that area, not only that area but in No. 1 East as well, and now it is my understanding that we are considering twinning the Yellowhead Highway. There have been some discussions on that, and I have seen some discussions taking place on that issue in other provinces as well.

If these highways are going to be considered to be in the national interest, I think it is incumbent upon the federal government to look at playing an active role financially in maintenance and upgrading of these structures, otherwise I think we may be better served in upgrading the road systems in other



areas of the province that are in greater need than just allowing traffic to pass quickly and safely through the province by providing four-lane divided highways right across the width of the province.

The information on roads capital programs that are under way and the minister provides a copy of all of the proposed projects for the year and the different stages of development, as well as the projects that have been on the list now for a period of time, are there any costs for each of those stages that are on those roads on that list? Are there any costs that are attached to them at this point, and if there are, can the minister provide that information to us?

**Mr. Driedger:** I have tabled the Projected Road Program carryover. All that material was basically submitted to the members. We do not have cost-related figures to all of those. As we bring them forward for Estimates purpose then we attach figures. I would not want to put figures into the public hands. We have our own figures that we work with because if we put the figures out to the public, by and large then, when we work with the tendering system we sort of tip our hand and let the contractors basically know what we anticipate the costs will be, and I think it would destroy the concept of fair and open tendering, and I think it would prejudice it to some degree. So, I am not prepared to take and put those figures public.

**Mr. Reid:** I can appreciate the minister's position for the projects that have not been tendered, but does that mean that where the projects have been tendered and there have been lists that are readily supplied—and the minister referred me to the Manitoba Heavy Construction Association for the lists of projects that are out on tender and who the successful bidders were—does that mean that we cannot get any information on what the tendered contract costs are?

**Mr. Driedger:** Once the project is tendered and awarded, there is no secret to it. We can provide him with a quarterly report which would show exactly the projects that have been tendered. Once they are awarded, I do not care who knows what the figures are. It is public information at that stage of the game, but I am not going to start divulging information on what we projected to be potential costs and projects.

**Mr. Reid:** I would appreciate it if the minister could arrange for the orderly supply of information on

projects that have been tendered so that I might become better informed of the issue and what the costs related to these projects are.

\* (1720)

On the sheets as well that were supplied, they talk about draft and they have certain names beside it for these different projects. I take it then that these projects are still under consideration by the minister's department by the people who are employed in his construction department?

**Mr. Driedger:** I wonder if the member could clarify? I did not quite catch. He has got a paper in his hand, he is making reference to something. I am not quite sure what he holds there so I need a little bit more information.

**Madam Chairman:** Item 8.(a) Construction and Upgrading of—

**Mr. Driedger:** Madam Chairperson, this sheet that I have before me is the proposed tendering dates and closing dates, and that would still hold true. The information, as far as I can see, is current and up to date and would still apply.

**Mr. Reid:** There was an article published in the Stonewall Argus talking about Provincial Road 229. It talks about lobbying that was done by the LGD of Armstrong. These people were credited locally for the success in getting what they believed to be ministerial intervention to speed up work on the road, that is Provincial Road 229. Could the minister give me some indication on the facts surrounding Provincial Road 229 and the alleged project advancement in this case?

**Mr. Driedger:** Madam Chairperson, I might indicate to the member that I get lobbied by every organization in the province pretty well that has some concern about roads. The lobbying aspect is an ongoing thing. In fact, very seldom does somebody not cross my doors that is not lobbying for some interest and most of it has to do with roads.

The member's concern as to how the priority was established on road 229, it is established the same way as it is in many other cases. By and large, you have municipalities pressing, as the member for Dauphin (Mr. Plohman) indicated his municipalities are pressing for certain roads. This is then taken into consideration with the district engineers. The quality of the road is being looked at, the traffic counts are being considered, and then, ultimately, the decision comes down as to which road is

prioritized. There is no big dark secret involved here.

**Madam Chairman:** Item 8. (a) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects \$102,500,000.

### Point of Order

**Mr. Connery:** Just as a point of order, Madam Chairperson, what is the routine in questioning? Does a person finish their line of questioning before you move to somebody else or not? I would like to know what the order is in the order of questioning.

**Madam Chairman:** Yes, and the rules taught to all standing committee chairmen is, whomever the chairperson identifies or sees first, and that is the procedure that I employ throughout the standing committee as well as the Chair of Committee of Supply.

**Mr. Connery:** I was standing. I had asked a question and was standing to ask a repeat question and the questioning then moved.

**Madam Chairman:** To the honourable member for Portage la Prairie, my vision was blocked here. I am not certain, but I think the Clerk has indicated to me he was here, in the area here getting documents, and I did not see the honourable member for Portage la Prairie. I saw the honourable member for St. Boniface (Mr. Gaudry) prior to seeing you on your feet, and once I have recognized an individual, that individual then is identified and should continue with the question.

**Mr. Connery:** Good luck in carrying the vote.

\* \* \*

**Madam Chairman:** Item 8.(a) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects \$102,500,000—pass.

8.(b) Aid to Cities, Towns and Villages \$1,000,000—pass.

8.(c) Work in Local Government Districts and Unorganized Territory \$3,960,000—pass.

8.(d) Rural Municipal Bridge Assistance Program \$300,000—pass.

8.(e) Acquisition/Construction of Physical Assets:  
(1) Other Projects \$4,384,200—pass.

Resolution 81: RESOLVED that there be granted to Her Majesty a sum not exceeding \$112,144,200 for Highways and Transportation, Expenditures

Related to Capital \$112,144,200 for the fiscal year ending the 31st day of March, 1992—pass.

At this point, I would request the minister's staff to please leave the Chamber.

Item 1.(a) Minister's Salary \$20,600—pass.

Resolution 74: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,592,100 for Highways and Transportation, Administration and Finance \$4,592,100 for the fiscal year ending the 31st day of March, 1992—pass.

This concludes the Estimates for the Department of Highways and Transportation.

### SUPPLY—CO-OPERATIVE, CONSUMER AND CORPORATE AFFAIRS

**Madam Chairman (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be dealing with the Estimates for the Department of Co-operative, Consumer and Corporate Affairs. Does the minister have an opening statement?

**Hon. Linda McIntosh (Minister of Co-operative, Consumer and Corporate Affairs):** Yes, I do have a very brief opening statement, Madam Chairman. I am very pleased to have the opportunity to participate in Estimates. This has been a very difficult year for government all around; there have been difficult choices for departments. My department has been no exception. My philosophy of making the difficult choices that governments have had to make, and government departments have had to make this year has been to protect the public. That has been my priority.

Of course, in a department like Co-operative, Consumer and Corporate Affairs, that is one where it is fairly easy to identify when protective measures have been put in place. I have put programs that have a public protection ahead of other programs. We have a very highly regulatory department. We do a tremendous amount of regulating. Some of those are areas where it is difficult to put in measures of restraint. For example, the Superintendent of Insurance, there is only one. It is difficult to cut back in that area, and that is an area, of course, where there is great protection to the consumer provided.

I am very pleased, Madam Chairman, that despite the fact that we have had a program of restraint, that the Consumers' Bureau has been provided with two

and a half staff years towards our new business practices program, which will now be part of the tools the bureau uses to help protect the public.

I think that demonstrates our government's commitment to the new Business Practices Act, which is soon to be proclaimed. That act, of course, as we are familiar, provides for the identification of unfair business practices in the marketplace; a means by which consumers will be able to seek redress in the courts after having been subject to such practices; a means by which the government will be able to seek redress for those consumers, as well as being able to investigate and prosecute offending businesses. It is a good act, Madam Chairman, in that it protects both consumer and business, because those reputable businesses of integrity will not have to suffer the reputations achieved by those who are less reputable.

The regulation of financial institutions is a rapidly changing field, and our efforts have been concentrated upon keeping Manitoba current with changes in other jurisdictions, and working on the national harmonization of financial institutions. In size, Manitoba is the fifth largest jurisdiction in Canada, in terms of financial institutions. Those financial institutions account for about 14 percent of the province's gross domestic product.

\* (1730)

In trust and loan, the provinces across the nation have continued trust and loan harmonization, a process of agreement on key standards for capital base liquidity, commercial lending, et cetera. It is a follow-up to the intergovernmental agreement to exchange information which was signed in Winnipeg here, our capital city, in 1988. We did adopt a common reporting form, which was developed for industry and regulatory use in all provinces, in March 1991.

In insurance, our government signed the national plan to protect consumers in the event of an insolvency of a life insurance company, which is now in place in Manitoba. The plan guarantees the replacement of life annuity, and accident and sickness policies, which includes disability income as well as guarantees claim payments. The limits for replacement policies and claim payments are \$200,000 for life coverage, \$60,000 of cash values and a \$2,000 monthly income. There is a similar plan to protect consumers in the event of the insolvency of a property and casualty insurance company. It has been in place for the last two years.

Both of these plans are managed, and all costs are borne, by the insurance industry itself. There is no cost to government.

The credit union and caisse populaire systems continue to be monitored by our department to ensure that the public interest is protected, and I have very much enjoyed getting to know the fine men and women who work in the credit union and caisse populaire systems in Manitoba. They are very conscientious, hard working and very responsible in their attitude towards the money management of those people who belong to their unions and populaires.

Those systems play a very important role in the economic framework of the province. Total assets in the credit union system reached \$2.98 billion as of December 31, 1990, which is an increase of 11.35 percent over 1989. Similarly, assets in the caisse populaire system increased by 13.67 percent over 1989 and equalled \$318 million at December 31, 1990.

Members are aware, I am sure, that 321,000 people are members in credit unions in Manitoba. They utilize the financial services offered by a total of 80 credit unions, and 34,000 members are currently being served by the 19 caisses populaires. Net equity in credit unions increased to \$80.5 million at December 31, 1990, which represented 2.70 percent of total credit union assets. Equity in caisses populaires equalled \$10.1 million at December 31, 1990, which was the equivalent of 3.17 percent of total caisse populaire assets.

As was noticed from the Estimates, and I am sure it was noticed, because it was something that we made certain was highlighted and brought to the attention of all members, the development part of Co-operative and Credit Union Development was the area in which my department's cuts were made. The highest priority, as I said earlier, was given to public protection. Nevertheless, despite the fact that six positions were made vacant there, we did retain sufficient staff in Co-operative Development to continue to deliver this program to Manitobans who express interest. In fact, during the fiscal year 1990-1991, 46 new co-operatives have been incorporated. At the end of the 1990-1991 fiscal year, more than 60 projects were in various stages of development.

There is much more that I could say, Madam Chairman, but I realize time is short and the opposition critics are wanting to ask questions. I am

quite willing to have them put those questions forward, so I will cut my remarks short in order to provide them with that opportunity, and may I say in the doing of that, that I have very much appreciated the conscientious courtesy with which the opposition critics have treated me during this session. I look forward at this time to hearing what other questions they may have to put to me.

**Madam Chairperson:** Does the critic for the official opposition have an introductory statement?

**Mr. Jim Maloway (Elmwood):** Madam Chairperson, I wanted to, first of all, talk for a few minutes about this government's lack of action regarding gasoline prices, because gasoline prices, as I knock on doors in the constituency and talk to people out there, gasoline prices are a major, major concern of people in this province. I have constant inquiries and complaints about this government's lack of action, seeming collusion, in fact, with the oil companies of this province.

We did a study back in 1987 that recommended some very, very sensible alternatives to the current system. Certainly the study recommended that the government set up half a dozen gas stations in competition in the Winnipeg market, and thereby doing that would drive the price of gasoline down to fairer levels. If you would like to know what the fairer levels are, Costas Nicolaou himself has indicated that in Manitoba the prices are roughly 5 cents a litre higher than they are in the United States. He attributes that to the monopolistic practices of the refineries and the gas companies in this province. In fact, I believe it was four or five years ago that one of the major gas companies was charged—and not only charged, but convicted of price fixing and fined \$100,000 in the process—in this province.

What has the government done? From what we can see, nothing, other than what is reported in their annual report. In their annual report they talk about their Co-operative Gas Bar Program, and I believe there has been one gas bar added to the program this year. Of course, I would be interested in knowing from the minister at a later time just where that gas bar is.

Here we have a situation where the gas bars are operating successfully up north. In fact, the department has set up, or allowed to be set up, or caused to be set up another gas bar this past year. So if the gas bars have proven successful in keeping gas prices down in northern Manitoba, and in fact the minister's department has set up another

northern gas bar this year, then why cannot the minister think ahead to perhaps extending that program into the city of Winnipeg, which is exactly what Dr. Nicolaou recommended, that a half a dozen gas stations be set up in the city of Winnipeg? That would see a drop of five cents a litre in the price of gasoline in Winnipeg, which is the margin by which the Winnipeg retailers, the Winnipeg distribution system is robbing from the people in this province. That has been documented by the man who did the study for us.

Madam Chairperson, we have a logistical problem, I am told. We have to wind up the Estimates because we are running out of time, and I had so many more things that I wanted to talk about in my speech, everything from the Kona situation to asking the minister why The Business Practices Act has not been proclaimed yet to what the research department is doing or not doing in her department, because it seems that each year they give a report on what they are researching and they are the same things every year. In fact, nothing seems to ever come out of this department. I would like to know what, in fact, happens in this research department.

Having said that for an opening statement, I would like to put on the record that we would be prepared to pass the various stages of the Estimates of this department.

**Madam Chairperson:** Does the critic for the second opposition party wish to make an introductory statement?

\* (1740)

**Mr. Neil Gaudry (St. Boniface):** Yes, Madam Chairperson. I would just like to say that it is unfortunate that we cannot go through the Estimates because we have a lot of questions that we would have liked to ask the minister, but I would like to say thank you to the minister for giving us the opportunity to ask her questions.

On the positive side, she has made her staff available to us to discuss matters that we have concerns with, and we will take this opportunity to meet her staff and to discuss our concerns in these Estimates. Since we are running short of time, like I said, she has made her staff available to us as she has done in the past, and I would like to say thank you. We look forward to working with her staff to answer some of these questions and concerns that we have. Thank you, Madam Chairman.

**Madam Chairman:** Would the minister's staff please enter the Chamber.

**Mrs. McIntosh:** I would like to take a moment to respond to some of the concerns that were raised by the member for Elmwood (Mr. Maloway). I would like to indicate, as well, that I realize my Estimates were left until the end, and not much time was left for them. I am available at any time the opposition critics wish to come to my office. They are most welcome to do that, and we will be pleased to answer any questions they might have.

Since one question was put on the record, I would like to clarify for the member and the record some of the points that he made. The member made the point that they had been presented with sensible solutions by Professor Nicolaou in his report which they commissioned at the cost of \$80,000. He said that Professor Nicolaou recommended that they set up six gas stations. He then asked the question, what has the government done, and the answer he provided was, nothing.

I maintain that this question and this answer could have been asked of the opposition, because they got the report and what did the government do? The answer: nothing. They put the report on the shelf and it was not until the member for Brandon West (Mr. McCrae) was minister that the report was finally released.

The six gas bars that Professor Nicolaou recommended the government set up were not set up. The study that was there recommended a number of items, recommended against regulation. We do have gas bars, as the member indicated. Those gas bars however were not set up by government. They were set up by individuals. The government is still available to help in the setting up of gas bars should any individuals wish to set them up.

Those are the points that I had jotted down. There is much more, I am sure, that the member would like to say and much, much more that I would like to answer for the member's benefit, but we will do that at another time and in another place. I thank you, Madam Chairman.

**Madam Chairman:** Item 1.(b) Executive Support: (1) Salaries \$257,600—pass; (2) Other Expenditures \$53,000—pass.

1.(c) Communications: (1) Salaries \$59,000—pass; (2) Other Expenditures \$32,100—pass.

1.(d) Administrative Services: (1) Salaries \$428,200—pass; (2) Other Expenditures \$33,200—pass.

1.(e) Research and Planning: (1) Salaries \$139,700—pass; (2) Other Expenditures \$15,000—pass.

Item 2. Consumers' Bureau (a) Salaries \$854,500—pass; (b) Other Expenditures \$134,200—pass; (c) Grants \$76,500—pass.

Resolution 18: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,065,200 for Co-operative, Consumer and Corporate Affairs, Consumers' Bureau, for the fiscal year ending the 31st day of March, 1991.

Item 3. Corporate Affairs (a) Corporations Branch: (1) Salaries \$833,300—pass; (2) Other Expenditures \$507,400—pass.

3.(b) Insurance Branch: (1) Salaries \$326,000—pass; (2) Other Expenditures \$73,300—pass.

3.(c) Manitoba Securities Commission: (1) Salaries \$1,288,800—pass; (2) Other Expenditures \$126,100—pass; (3) Task Force on Capital Market Development \$15,000—pass.

3.(d) Public Utilities Board: (1) Salaries \$558,900—pass; (2) Other Expenditures \$1,565,200—pass.

3.(e) Trust, Loan and External Financial Services: (1) Salaries \$379,600—pass; (2) Other Expenditures \$89,000—pass.

Resolution 19: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,762,600 for Co-operative, Consumer and Corporate Affairs, Corporate Affairs, \$5,762,600, for the fiscal year ending the 31st day of March, 1992—pass.

4. Co-operative and Credit Union Development and Regulation (a) Co-operative and Credit Union Development: (1) Salaries \$241,800—pass; (2) Other Expenditures \$85,300—pass.

(b) Co-operative and Credit Union Regulation: (1) Salaries \$541,100—pass; (2) Other Expenditures \$46,500—pass.

Resolution 20: RESOLVED that there be granted to Her Majesty a sum not exceeding \$914,700 for Co-operative, Consumer and Corporate Affairs, Co-operative and Credit Union Development and Regulation, \$914,700, for the fiscal year ending the 31st day of March, 1992—pass.

At this point, I would ask that the minister's staff please leave the Chamber.

1.(a) Minister's Salary \$20,600—pass.

Resolution 17: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,038,400 for Co-operative, Consumer and Corporate Affairs, Administration and Finance, \$1,038,400, for the fiscal year ending the 31st day of March, 1992—pass.

\* (1750)

This concludes the Estimates for the Department of Co-operative, Consumer and Corporate Affairs.

Procedurally we need to clarify, what is the will of the committee?

**An Honourable Member:** Committee rise.

**Madam Chairman:** Committee rise.

**Hon. Clayton Manness (Government House Leader):** I recommend that this committee recess for only a very short brief time until we are joined by the other section of the Committee of Supply at which time we will reconvene.

\* \* \*

The committee took recess at 5:56 p.m.

### After Recess

The committee resumed at 5:58 p.m.

**Mr. Marcel Laurendeau (Deputy Chairman of Committees):** Madam Chairman, in this section of Committee of Supply, meeting in Room 255, the honourable member for Wellington (Ms. Barrett) moved, seconded by the honourable member for Radisson (Ms. Cerilli), that item 1.(a) the Minister's Salary in Estimates in the Department of Family Services be reduced by 50 percent, \$10,300, which was defeated on a voice vote and on which a formal vote was requested.

\* (1800)

**Madam Chairman:** A recorded vote having been requested, call in the members.

Order, please. The question before the House is moved by the honourable member for Wellington (Ms. Barrett) that item 1.(a) Minister's Salary in the Estimates in the Department of Family Services be reduced by 50 percent to \$10,300.

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

Yeas 27, Nays 27.

**Madam Chairman:** The principle guiding a Chairperson when called upon to exercise a casting vote on an amendment is the notion that a Chairperson should vote in such a manner as to retain the status quo. Therefore, I must vote against this amendment. The amendment is accordingly defeated.

Item 1.(a) Minister's Salary \$20,600. Shall the item pass?

All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Madam Chairman:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Madam Chairman:** In my opinion, the Yeas have it.

**Mr. Steve Ashton (Opposition House Leader):** A recorded vote, Madam Chairperson.

**Madam Chairman:** A recorded vote has been requested. All those in favour, please rise.

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

Yeas 27, Nays 27.

**Madam Chairman:** The principle guiding a Chairperson when called upon to exercise a casting vote on a motion is the notion that a Chairperson should vote in such a manner as to retain the status quo. Therefore, I must vote in support of the motion. The motion is accordingly carried.

Resolution 43: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,133,500 for Family Services, Administration and Finance, for the fiscal year ending the 31st day of March, 1992—pass.

This concludes the Estimates for the Department of Family Services.

This concludes the Estimates. Rule 64.1(1) provides that not more than 240 hours shall be allowed for the consideration in Committee of Supply. Therefore, this objective has been attained.

The hour being after 6 p.m., committee rise.

### IN SESSION

**Mr. Speaker:** The hour being after 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, July 23, 1991

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