



Fourth Session - Thirty-Fifth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 29, 1993

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Conrad Santos (Broadway): Mr. Speaker, I beg to present the petition of Brian Lamirande, Annette Lamirande, Janice Lamirande and others requesting the Family Services minister (Mr. Gilleshammer) consider restoring funding for the friendship centres in Manitoba.

* * *

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, I beg to present the petition of J. Kendall, Rose-Marie Gieni, B.G. Nunn and others urging the government of Manitoba to consider keeping the Misericordia Hospital open as an acute care facility.

* * *

Ms. Jean Friesen (Wolseley): Mr. Speaker, I beg to present the petition of Nancy Hilliard, Rob Hilliard, Joanne Swayze and others requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the Student Social Allowances Program.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon 15 ESL students. They are from the Sir William Osler School. They are under the direction of Judy Johnson.

On behalf of all honourable members, I would like to welcome you here this afternoon.

ORAL QUESTION PERIOD

Assiniboine River Diversion Federal Environmental Review

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, my question is to the First Minister (Mr. Filmon).

Mr. Speaker, we have been raising questions in this Chamber since April of 1991 to the government

on the Assiniboine diversion project. We have raised questions about the scoping of the proposal, the magnitude of the proposal and the need for federal-provincial, basin-wide reviews.

We felt that the project affects the federal Fisheries Act, the Navigable Waters Act and potentially the First Nations Long Plains, all of which come under federal jurisdiction, based on precedent from the Oldman River and the Rafferty-Alameda, all criteria that would precipitate a federal-provincial environmental assessment.

I would like to ask the Premier (Mr. Filmon) a question I have asked him in his Estimates and Question Period before. Will he agree to have a federal-provincial environmental assessment to deal with the total basin-wide concerns of the proposed Assiniboine diversion project?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, we have entered into the provincial process in terms of the Clean Environment Commission review. The member knows full well that the federal authorities will make a decision based on their criteria whether or not they believe there needs to be work done that they require for their—any permitting requirements that they would have.

Mr. Speaker, this is not any different than a number of other projects that have been undertaken, and it will be handled by the book.

Assiniboine River Diversion Legal Opinion

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the Premier knows, in his Estimates, I have asked him, on the one hand, how can we have a position about the downstream impact of Rafferty-Alameda and not have the same comparable position for federal-provincial environmental assessments on the Assiniboine diversion projects for communities upstream and downstream on the Assiniboine basin proposal?

I would like to ask the Premier, in light of the decisions that have been made on the Oldman River—again a project to divert water from the water system for a few users affecting other users—in light

of the decision that has been made by the federal courts on Rafferty-Alameda, will he now tell us whether he has a legal opinion that will substantiate the proposed way the government is going, and that is to proceed on a provincial study without a federal-provincial assessment?

Hon. Gary Filmon (Premier): It is interesting that this born-again environmentalist, who was part of a government that did not conduct a public environmental assessment review on the biggest project in the history of this province, the Limestone Generating Station, just absolutely swept it aside with no public environmental assessment review, is now starting to become an expert on the requirements for the federal intervention in this.

The federal government has lawyers; they have a department that is charged with the responsibility of meeting the requirements of their act. It is the federal government that must decide whether or not this project meets the criteria under their act for a federal review.

It is not this government that makes that decision; it is the federal government. If he knew anything about environmental assessment, he should at least understand that.

* (1335)

Mr. Doer: I asked the Premier a simple question: Does he have a legal opinion?

We know that the federal government's inaction on the Rafferty-Alameda, the Conservative federal government's inaction on the Oldman River and the provincial Conservative governments in both Saskatchewan and Alberta were violating the law and the courts had to come in and say that a federal environmental assessment was necessary. So I am only dealing with past history in western Canada.

I ask the Premier again: Does he have a legal opinion to justify proceeding on a unilateral basis with the Manitoba environmental assessment?

Mr. Filmon: The process does not work that we proceed on a unilateral basis. The process works that the project is put out for review by both levels of government under their acts as to whether or not it requires a public environmental assessment and review, and we have already determined that obviously it does under our act and we are giving it that review.

The federal government has the responsibility to do the same thing, and the federal government are very fully aware of the issue of Rafferty-Alameda, of the Oldman River dam, of all of those projects.

Obviously their lawyers are very conscious of what their legal responsibilities are, and they have court cases to ensure that they are documented as to what their requirements are. The federal government will make that decision as their act calls for, Mr. Speaker.

Assiniboine River Diversion Information Release

Mr. Gary Doer (Leader of the Opposition): A new question to the Premier. Since 1991 there have been biologists talking about the impact downstream in Selkirk; there have been people in Brandon—in fact, I believe the City Council of Brandon passed a motion opposing this proposal.

There are people who have been raising legitimate concerns on the Assiniboine diversion project and its upstream and downstream impact.

The government just made a statement about unilateral action. Well, the City of Winnipeg today, another user of this water, has stated that Manitoba Environment has unilaterally decided that the Pembina Valley project was not in a position to respond to certain issues raised by many interveners and therefore that material would not be available for the proposed environmental hearings.

I would like to ask the Premier again: Will this material be available to all interveners and will we have a proper environmental assessment, or are we going to have unilateral action by the Manitoba Environment department as cited?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the member is misrepresenting the process. The fact is that information will be made available in response to the questions. That will be part of the process.

The concern that the member continually wants to raise from that side of the House about whether or not there is some different way or some approach to this review that we have ignored is totally wrong. We are taking every precaution. We are cognizant of any concerns that might be raised around this issue and we will take very great care to make sure that the commission responds appropriately, and that is the position I have taken from the start.

Hearing Postponement

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, we recall the last major sets of recommendations from the Clean Environment Commission to the government.

I would ask the government again, that consistent with previous studies on Selkirk by independent biologists, the city is saying the reduction of these target flows places progressively greater stress on the pollution-control efforts of the city and that acceptability of waste-water treatment.

I would like to ask the government: In light of all their concerns in terms of the deficiency in the study now and the lack of information, will the government be holding hearings downstream in other communities, as we have asked before, and will the government halt this hearing process until all the information is available so that all the basin-wide data that is necessary to review this project is available for decision making?

* (1340)

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I have said consistently that the commission made the recommendation for the hearing sites based on the concerns and the presentations that they had.

The number of concerns and presentations that were presented from the city of Winnipeg and the town of Selkirk were very small in number, and it was deemed to be appropriate that the hearing sites could be located in Portage and the Shellmouth in respect to the Assiniboine River.

The member raises the question about the condition of the water at Selkirk. He knows full well that we have been the only government that has made some progress towards cleaning up the rivers going through the city of Winnipeg. His administration ignored it for a decade.

Mr. Doer: Mr. Speaker, we passed The Environment Act to take away the City of Winnipeg's exemption that the Premier (Mr. Filmon) had left in place when he was Minister of Environment.

This is not going to deal with the problems raised in the study.

I would like to ask the government again: In light of the fact that the city is saying that this will have a significant impact on the flow regimes and users along the entire river, including the reaches through Winnipeg and beyond Winnipeg and that these

conclusions are not available from the environmental impact study that has been done to date, will the government stop this process and make sure that all the material and data that is necessary on the significant impacts is considered by the Clean Environment Commission and that it has the credibility of communities and people in communities upstream like the people of Brandon and downstream like the people of Winnipeg and Selkirk?

Mr. Cummings: Mr. Speaker, these are all issues that will be on the table in front of the commission in terms of the request for information. If there is information that is not seen to be complete, the commission will ask those who are making the request to make sure that it is answered, or the appropriate licences will not be possible.

The Department of Natural Resources is working consistently to provide additional information to the requests from the commission. The proponents have consistently been brought back to the table to provide additional information as a result of the request that we have received as a result of the publication of the guidelines.

Mr. Speaker, this will be a complete and open hearing process.

Social Assistance Child Care Subsidies

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I have a question for the minister responsible for Family Services.

I have a constituent of mine who has just recently been offered a job. She is receiving social assistance. This particular individual cannot afford to have a non-subsidized daycare spot. In an attempt to try to find a spot, she has been unsuccessful and, unfortunately, it looks like she is going to have to turn down this particular job.

My question to the minister, Mr. Speaker, is: How does the government save money by keeping someone on social assistance as a direct result of cutting back on subsidized child care spaces?

Hon. Harold Gillleshaw (Minister of Family Services): Mr. Speaker, we have explained before, the changes that we have instituted in Child Day Care with this budget, that we have had to cap the number of subsidized spaces that government can afford. We had some 10,000 children in

subsidized care within the last year. By attrition, we are going to move that down to 9,600.

If the individual that the member represents would need some assistance, I would assure him that we have staff at the daycare office that would assist in trying to help out.

Mr. Lamoureux: Mr. Speaker, I will definitely pass on the name. Again, I would ask the minister to answer the question in a more direct fashion by saying, how does a government justify having individuals remain on social assistance because there are no subsidized daycare spots that are out there in order to help them get off of social assistance? How can you put money—

Mr. Speaker: Order, please. The honourable member has put his question.

Mr. Gilleshammer: Mr. Speaker, I can assure the member that we will do everything we can to assist people who have a job offer to leave the social assistance program. We are limiting the number of subsidized spaces this year. There is always a graduation process from daycare as those children move into the public school system.

I would encourage the member, if he wishes to speak to me privately, we can assign somebody from the daycare office to assist that person to see if we can facilitate a subsidized spot.

* (1345)

Child Care Centres Subsidized Spaces—Flexibility

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, to the minister: Some communities experience an enormous change in residence and, therefore, in the use of daycare facilities. This use may be as a result of seasonal jobs, school year, et cetera.

Will the minister consider adopting a more flexible approach in the number of daycare spaces available in those areas where the use of the daycares varies substantially from season to season?

Hon. Harold Gilleshammer (Minister of Family Services): I would invite the member to perhaps come to Estimates in the near future where we talk in more detail about the daycare budget and the daycare system. Again, we were looking at some additional licensed spaces and, again, I would offer to act as a conduit. If the member wants to bring me that information, I will put his constituent in touch with the daycare office to see if we can assist him.

Provincial Court Judge Justice Department Review

Ms. Becky Barrett (Wellington): Mr. Speaker, not once, not twice, but three times in the last nine months, a provincial court judge has shown an appalling lack of sensitivity when it comes to a wide range of situations: child abuse, domestic violence and now sexual assault. On March 26 after the second incident, the Minister of Justice stated he was reviewing the transcript and the issues involved to see just what is the appropriate action that ought to be taken by the Department of Justice with respect to the judge in this matter. Now, clearly, nothing has happened.

When will the Minister of Justice take action to ensure that this judge will no longer hear these kinds of cases?

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, the latest news report setting out the latest case that has been of some concern compounds my concern about the role that this particular judge is playing. Obviously, the Department of Justice disagrees with the findings in this latest case. The Department of Justice is appealing the matter as well as the other matter. With regard to the judge himself and the role that he has played, I have instructed my department that I expect them on Monday to have reviewed transcripts into these matters and to have placed before me options for where we might go from here.

Ms. Barrett: Mr. Speaker, well, I would like to ask the Minister of Justice why he did not have that kind of immediate timetable of three days after the second incident. What kind of assurances can the Minister of Justice give the women and children because these are the people who are being abused by this provincial court judge? What assurances can he give the women and children of Manitoba that between now and the time he deals with these options, women and children will not come before this judge and his docket?

Mr. McCrae: I do not think the honourable member should be preaching to this government, Mr. Speaker, about a commitment towards the eradication of this kind of behaviour in our society.

In a comprehensive way, this government has taken this issue head-on and we have gone head-on with the judiciary and with well-known media commentators and others in our defence of the zero

tolerance policy of this government towards violence in our society.

So I do not need to take any lessons from the honourable member who supports a party that did diddly-squat in the number of years that it had to do something about this terrible societal problem. That being said, other than supporting that particular kind of political party, I have no criticism for the honourable member, because of the interest that she has shown in this and appropriately so.

* (1350)

Ms. Barrett: Mr. Speaker, when will the Minister of Justice actually start implementing the recommendations of the Pedlar review dealing with the education of the judicial body in the province of Manitoba, and when will he make sure that not another woman or child appears before that provincial court judge?

Mr. McCrae: Mr. Speaker, the reason I am troubled about the latest news is that we have indeed made significant progress here in Manitoba in the area of education for the judiciary. I cannot help but—if we find in today's news that we appear to have had a setback. But on the other hand, education for the judiciary is something that is happening today, something the New Democrats cut in the 1988 budget, something we have restored and something we have increased money for over the years.

So it is not the honourable member's intention, it is her tone when she raises her question; this tone of righteous indignation which is so incorrect. You cannot describe a New Democrat in those terms because it is not right. They are hypocrites when it comes to this kind of an issue. So the point—

Mr. Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, the Minister of Justice, in response to some very straightforward questions, was skating on some very thin ice in terms of being parliamentary, and I think he just went through the ice when he referred to this member as being a hypocrite. That appears on both lists, has been ruled as unparliamentary. The tone I think was very clear, because the minister tried to politicize what were very nonpolitical questions asked on behalf of the women and children of Manitoba. I ask that he withdraw that comment.

Mr. McCrae: In my zeal to promote zero tolerance I used language that I should not use, and I am sorry for that.

Mr. Speaker: I would like to thank the honourable member for that.

Mr. McCrae: But I would like to say—

Mr. Speaker: Order, please. That is fine. The honourable minister has withdrawn the comments.

The honourable minister, to finish his response.

* * *

Mr. McCrae: Mr. Speaker, we view this matter very seriously and I have told my department that I expect by Monday to have appropriate options available to me beyond the normal course of the appeal that we have already stated that we are going to proceed with, and if there are further options available I will know about it Monday and we will proceed from there.

St. Boniface Hospital Bed Closures

Mr. Dave Chomlak (Kildonan): Mr. Speaker, we understand today that a further 39 surgical beds are to be closed at St. Boniface Hospital, to be replaced by day surgery beds.

Can the minister confirm whether the closings of these 39 beds are in addition to the 38 surgical beds which he announced would be closed on November 18, 1992 at Health Sciences Centre and St. Boniface, or are these additional beds in addition to the 38 he announced in November?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, the information that I have received from St. Boniface Hospital indicates that over the past, oh, roughly 12 to 16 months, they have initiated in some of their surgical programs a new method of patient management wherein it delays or eliminates the need for admission prior to surgery, and that has reduced the length of stay significantly. The experience that they have had over the past 12 to 16 months has led them to the conclusion that they can maintain their level of surgical activity with fewer beds, and they intend to announce in the very near future, it is my understanding, the process of retiring those surgical beds from service.

Mr. Speaker, I want to reiterate and reinforce that this has been on the basis of some 12 to 15 months of experience in surgical program that has led them

to the conclusion they can offer quality patient care with fewer surgical beds.

Mr. Chomlak: Mr. Speaker, my supplementary to the minister remains the same as in the initial question, because I think the minister did not deal with the question.

Are the 39 beds to be retired or to be closed by St. Boniface Hospital in addition to the 38 surgical beds that the minister announced would be closed in November between St. Boniface and Health Sciences Centre? Are they in addition, or are they part of the beds that the minister announced in the original November announcement?

Mr. Orchard: Mr. Speaker, I will clarify this for my honourable friend if my assumption is incorrect, but I believe that this is another group of surgical beds as a result of, as my honourable has indicated, not-for-admission surgeries and probably more important, a new process of admission patient management to lower the length of stay, so that they can offer the same level of service they have in past years with fewer surgical beds.

* (1355)

Mr. Chomlak: My final supplementary: I am wondering why this is taking place now and how this relates, Mr. Speaker, to the report of the provincial surgery committee which is scheduled to report May 1.

Is this in relation to the surgery committee? Is it co-ordinated through that committee, and why is this taking place prior—

Mr. Speaker: Order, please.

Mr. Orchard: Mr. Speaker, you know, from time to time, I get troubled where my honourable friend comes from and from whence his concerns come.

Surely, my honourable friend recognizes that as more and more surgical procedures are accomplished in not-for-admission, where advances in technology such as laparoscopic surgery become the modus operandi, so that, for instance, gall bladder surgeries are now very, very short stays, improving the quality of outcome, improving the quality of the surgical procedure and the discomfort to the patient—all of these trends are happening in Canada, across Canada, in North America, and indeed the free world, and they are all leading to a lesser demand on surgical beds.

Now, Mr. Speaker, as these processes of change come into play, hospitals will respond accordingly and reduce the number of—

Mr. Speaker: Order, please.

Sexual Assault Identity Release

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, my question is to the Minister of Justice.

I think all members of this House have applauded and supported the initiatives that have been taken at provincial and federal levels which will prevent the release of a convicted criminal when that person has been convicted of an assault, because what in essence they are attempting to do is to protect the victim, not the criminal.

Yesterday, we heard of an incident in which an individual has been convicted of abusing his stepdaughter, has been given an 18-month sentence, and the judge has not only refused to divulge his name but has put a court order on his occupation as well, despite the fact that the victim believes that this individual's name should be released.

Can the minister tell the House how it is determined that the protection of a convicted sexual abuser's name and identity is made?

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I thank the honourable member for this question.

I think what usually happens is that for fear of making public the identity of a victim of sexual abuse or assault, the name of the accused is often ordered to be withheld. In this particular case, there are certain factors that come into it that I think are somewhat different from the usual case where this happens. One of the newspapers is looking at this with a view to having a review of the judge's decision on that matter and so is the Crown.

Mr. Speaker: Just prior to recognizing the honourable member for River Heights, the Chair is having a little bit of difficulty at this point in time. The honourable member for Wellington (Ms. Barrett) in her questions and, indeed, the honourable Leader of the second opposition party is following along the same vein.

A rule that is very rarely used—and I just think at this point in time I would like to quote it for all honourable members. It is Beauchesne's 493. It says: "All references to judges and courts of justice of the nature of personal attack and censure have always been considered unparliamentary"

I just caution all honourable members in the phraseology that you might be using.

Mrs. Carstairs: Mr. Speaker, that is why I was very careful not to mention any names. In fact, we are under a court injunction not to do so.

Public Protection

Mrs. Sharon Carstairs (Leader of the Second Opposition): With a supplementary question to the minister: There certainly is public knowledge that the individual who has been convicted in this case has as his normal function a profession which deals with other young people.

Can the minister tell the House what follow-up is being done by the Department of Justice to ensure that future victims are protected?

Hon. James McCrae (Minister of Justice and Attorney General): I think basically we are dealing with the same question as previously. Because of what the honourable member has said about the occupation of this person and the likelihood of this person coming in contact with young people, that is precisely the reason that the Crown is looking at the ruling in this case with a view perhaps to appealing it if that is possible so that no one is going to be unwittingly in contact with someone who has been found to be a danger.

* (1400)

Reduced Workweek Essential Services

Mr. Steve Ashton (Thompson): Mr. Speaker, the government is sending out yet another letter, this time from the Minister responsible for the Civil Service Commission, in regard to Bill 22, attempting to explain to the many people in the public sector what will be happening with this bill which, by the way, has only just been tabled in the Legislature for second reading and has not been passed and probably will not pass for some time.

One of the questions that is being asked, and I ask this either to the Minister responsible for the Civil Service Commission or the Minister of Finance (Mr. Manness) who brought in this bill, is, it refers once

again to the fact that, in this case, institutional, seasonal and essential positions will not be included under the seven days off in the summer and three days off without pay in the Christmas period outlined for other employees.

I would like to ask the minister if there is a definition yet of exactly what an essential service is.

Hon. Darren Praznik (Minister responsible for The Civil Service Act): Mr. Speaker, first of all, I think with respect to seasonal operations of government, I am sure all members of this House would want this particular program to utilize common sense. Certainly, in some departments such as the Department of Natural Resources, the Department of Agriculture, Department of Highways, where a very important part of their function is during the summer period, we have the flexibility in this model to ensure that certain parts of their operation that are essential in the operations of the government will operate during this period and the employees affected will take other time during the year.

I can tell him that I have had discussions with several of the employee associations that would be affected, and they are very amenable to this particular process.

Mr. Ashton: Mr. Speaker, common sense would indicate that if you talk about essential services, you know what you are talking about. I would like to ask again, because that is the question, and to either the Minister responsible for the Civil Service Commission or Minister of Finance who introduced the bill: What is an essential service? What is not going to be affected by this?

We have already seen courts being dealt with one way, liquor commissions the rest. What is an essential service? When will we know what services are going to be included in that?

Mr. Praznik: Mr. Speaker, I would like to just separate somewhat the question of the member for Thompson because there is a difference between seasonal operations whose operations have to go forward during the summer season particularly with respect to Natural Resources, Agriculture, Highways, for example, and essential services. I tell him with respect to some essential services, for example, in Health, et cetera, that we also have the model of Easter Monday when the public service is not working and there is a set of operational rules

that apply on Easter Monday, for example, and various days between Christmas and New Year's.

In each department we are working out those rules currently and how this will apply in those areas, and I think if he were to look at those models with respect to essential services, he would have a good idea of the guideline that is being worked on now.

Mr. Ashton: Mr. Speaker, the public of Manitoba and also the civil servants are asking many questions. They want to know when will the government give a list of what services are essential or not.

Are conservation officers going to be considered essential services or not. Are social workers or are court systems? When will the minister give us a list of exactly what services will and will not be available under this provision?

Mr. Praznik: Mr. Speaker, the member for Thompson—and I say this with all due respect—I think is somewhat confusing seasonal operations with essential.

We provide essential services in government on Easter Monday. We provide it during the Christmas season, whereas seasonal services—certainly, I would not think that members opposite would expect that certain seasonal services in the Departments of Highways, Agriculture, for example, Natural Resources, not take place in the summer which is their busy time, when those days can be taken off at other times of the year.

So I just point out to him that he should separate essential from seasonal, because they are very different.

Education System Reform Report Release

Mr. John Plohman (Dauphin): Mr. Speaker, over the past two days, we have seen the Minister of Education destroy any credibility that she may have had in this House with her blatant disregard for the facts both in terms of actions and in terms of her words.

First, it was the letter to Mr. Hobbs of Flin Flon where she claimed to have funded education above inflation over the last five years, and then yesterday she was given the opportunity to clarify precisely when she received the report on education reform and why she kept it secret for the last number of months. Again, she chose the devious route in this House.

Now, I ask the minister to be straightforward in the House today. When did she first see the report on education reform? When was it sent—

Mr. Speaker: Order, please. The honourable member has put his question.

Hon. Rosemary Vodrey (Minister of Education and Training): Mr. Speaker, let me answer a few of the questions that the member has raised.

First of all, the letter sent to the member's constituent was absolutely correct. The government share of funding for education support to schools has in fact increased by 36 percent, not the numbers that member used. So that, Mr. Speaker, was correct.

Now, he asks when did I see the first report, and the member did not ask that question yesterday. I am happy to tell you, I saw the report of the task force in November and there were a number of issues which had to be dealt with in the intervening time. I have a great number of issues that I am happy to speak to him about, and let me begin by saying that, as I said yesterday, the report was delivered in English, the report was to be translated, the translation was to be accurate in tone.

There was no difficulty with the service that we received in the issue of translation by any means. The issue was that the committee members had to approve that the translation was accurate and was consistent with the English copy.

Property Taxes

Mr. John Plohman (Dauphin): Mr. Speaker, the minister had another opportunity to be straightforward and chose not to again.

I am going to give her another opportunity, Mr. Speaker. Can the minister explain how she can truthfully write in her letter of April 23 to the Riverview School Community Association that the province is committed to doing what it can to restrain increases in property taxation, when she is part of a government that has increased property taxes by \$75 to every household in this province?

Hon. Rosemary Vodrey (Minister of Education and Training): Let me tell you, Mr. Speaker, first of all, again, in relation to the report, that this government received the sign off from the task force finally on March 29, 1993. From that point then, the report had to go to print. The report was then released as soon as possible following the printing.

In relation to the issue of taxation, I think that we have expressed our concerns through Bill 16 to protect the interests of the taxpayer in this province.

Mr. Plohman: Missed again, Mr. Speaker, missed again.

Mr. Speaker, I want to ask this minister today, and she has another opportunity to be straightforward—

Mr. Speaker: With your question, please.

Department of Education and Training Supplementary Estimates

Mr. John Plohman (Dauphin): Will she tell us, since her Estimates are only 10 days away or so, precisely when she is going to table the Supplementary Estimates for the Department of Education, so we can see exactly—

Mr. Speaker: Order, please. The honourable member has put his question.

Hon. Rosemary Vodrey (Minister of Education and Training): Mr. Speaker, I look forward to tabling the Supplementary Estimates, as I look forward to the Estimates process with my honourable friend. That will occur as soon as possible.

Point of Order

Mr. Plohman: On a point of order, missed again, Mr. Speaker.

Mr. Speaker: The honourable member does not have a point of order.

Emergency Room Physicians Patient Care Monitoring

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

We have been receiving some phone calls from constituents who are concerned about the strike of the emergency room physicians at five major hospitals. The strike has been going on for 48 hours. Initially, the impact may have been very low, but now that the weekend is approaching things could get worse.

Can the Minister of Health tell us: Who is monitoring the patient care during this time?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I appreciate my honourable friend's question because the situation is, to date, quite stable. We, on a daily basis, contact all of our major urban hospitals in Winnipeg to find out whether

there were any difficulties or deficiencies in the process, and so far, Sir, we have had a reasonably effective alternate and contingency system working for Manitobans who need emergency services.

We are redoubling our efforts tomorrow at two o'clock to assure that as we approach the weekend, we hope we can manage as effectively as the facilities have managed over the last two days.

Mr. Cheema: Mr. Speaker, one concern was raised that patients are unable to get proper information about where they have to go and get their treatment.

Can the Minister of Health tell us who is ultimately responsible to make sure that information is given properly to the patient? Also, is there some phone number the patients can get hold of so that they do not have to go twice to the same hospital?

* (1410)

Mr. Orchard: Let me deal with my honourable friend's question in two parts.

First of all, we have a substantial and good working relationship with the Winnipeg ambulance system so that any Winnipeggers, any Manitobans who are needing to access a hospital via ambulance, that they are fully aware of the status at each of the hospitals and will make the appropriate trip to the right hospital to deal with the needs of their patient.

Secondly, in terms of those who will come on their own, either have a friend or a family member drop them off or bring them to emergency, the advice has been consistent that they check with the hospital to assure that they can receive the services there and have that advice—

Mr. Speaker: Order, please.

Transportation Costs

Mr. Gulzar Cheema (The Maples): One of the concerns raised by patients is who is going to be paying for the transfers between these hospitals during this strike time. Can the minister tell us who is ultimately responsible to pay those costs?

Hon. Donald Orchard (Minister of Health): We recognize that there may be some difficulties that emerge, but the standard method of payment now—for instance, third-party coverage for ambulance service—will cover the costs, it is our understanding. There is the issue of interhospital transfer, which is currently covered under existing policies.

If there are difficulties that emerge, we would be sensitive to trying to resolve those, Sir.

Provincial Sales Tax Impact Base Broadening

Mr. Leonard Evans (Brandon East): On Saturday, May 1, families and children in this province will become acutely aware of the negative impact of this government's budget when the 7 percent sales tax will be placed on hundreds of new items including children's clothing, baby supplies, meals, take-out foods and snacks. The newspapers have already said that their sales will be hurt by this tax when it is applied to them.

Can the Minister of Finance advise this House whether he has any studies or information showing to what extent consumer spending will be reduced by the imposition of the 7 percent sales tax?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I thought the member would rise and congratulate us for holding the sales tax, which he says is so regressive, at the second lowest in Canada.

I acknowledge that the government has had to broaden the base somewhat. We did so because we wanted to collect sales tax on those purchases outside of Canada, and the only way that the federal government would collect on our behalf at the borders is if we expanded the base, no differently than the Province of New Brunswick which had to do the very same thing, Mr. Speaker, if the federal government was going to collect tax at the border.

So I would think that the member would be happy as far as his question. Indeed, if the sales tax extension itself is going to bring forward an additional \$20 million or \$25 million, that is then how much, obviously, will be less able to be spent by the people of the province.

Mr. Speaker: The honourable member for Brandon has time for one very short question.

Mr. Leonard Evans: Well, the people of Manitoba will not be very happy with this—

Mr. Speaker: Order, please. Question, please.

Revenue Growth

Mr. Leonard Evans (Brandon East): Mr. Speaker, what is happening to his retail sales tax revenues? I am particularly talking about the first three months of this year, because I note that retail sales have declined by 1.5 percent in February, and,

year to date, Manitoba is nine out of 10 provinces in terms of retail sales.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I wish the member had given me some notice. I certainly would like to provide him with the very latest specific detail on that question.

Certainly, over the last three months, sales tax revenue growth has maintained the forecast, which is slightly increased. There is no doubt in the last month that there has been a slight decrease in the actuals, but over the course of the last several months, we continue to be on forecast.

Mr. Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Mr. Speaker: I have a ruling for the House.

On Wednesday, April 21, 1993, during debate on the second reading of Bill 16, the Acting Speaker took under advisement a point of order raised by the acting government House leader, the honourable Minister of Energy and Mines (Mr. Downey), about language used by the honourable member for Wellington (Ms. Barrett). After interventions from the official opposition House leader and the honourable member for Osborne (Mr. Alcock), the Acting Speaker took the matter under advisement.

In reviewing Hansard, I note the member for Wellington said, "I can call that a lie, that statement . . . that statement as it has been stated in this House and in public by members of the government over the last five years is patently not true." I quote again: "Some might even say it is a lie."

I have taken some time to consider this incident and to consider the use of the word "lie" in this Chamber. Thus far this session the word "lie" has been used on December 7, and I quote: "I can stand anything but someone who is going to lie and manipulate the facts." In that case, the word "lie" was used in reference to a candidate in a provincial by-election. On April 7, the phrase "Would TV and the Free Press lie?" was used. On April 13, the words ". . . a budget which is couched again in the big lie that this government has maintained" were spoken. In these cases, no objections were raised to the use of the word "lie."

On June 4 and again on June 5, 1991, points of order were raised about the words "the big lie." In both cases, I ruled the phrase was not unparliamentary because it was not directed to any MLA or group of MLAs in particular.

I have, however, on other occasions ruled the word "lie" out of order; December 5, 1988, is one example where the word "lies" was used in reference to the government and where I asked that it be withdrawn. Therefore, in regard to the point of order raised on April 21, I am ruling based on the context in which they were used that the words used by the member for Wellington were unparliamentary, and I am asking her to withdraw them.

I also wish to remind the House that, although some words may be unparliamentary one day and not the next, dependent on context and other factors, the word "lie" and other words meaning the same thing are always unparliamentary.

* (1420)

Ms. Becky Barrett (Wellington): Mr. Speaker, I certainly, with the greatest of respect, take your ruling on my comments of April 21 to heart and withdraw the comments I made at that time.

Mr. Speaker: I would like to thank the honourable member for Wellington.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), 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.

COMMITTEE OF SUPPLY (Concurrent Sections)

FAMILY SERVICES

Mr. Deputy Chairperson (Marcel Laurendeau): Good afternoon. Order, please. Will the Committee of Supply please come to order.

This afternoon this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of Family Services.

When the committee last sat, it had been considering item 3.(b)(1) on page 56 of the Estimates book.

Mr. Doug Martindale (Burrows): Mr. Deputy Chairperson, before I direct some questions to the minister, I would like to make a brief statement to the entire committee and say that since we last met I have had a chance to read Hansard of Monday, April 26.

At this time I would like to offer an unqualified withdrawal of my remarks that appear on page 2067 of Hansard, the reason being that there is an unwritten convention here that we do not put on the record conversations that we have with individual members which are considered of a private nature.

Since I had a chance to read in print what I actually said here, I have reconsidered, and I am accepting the minister's invitation to withdraw those remarks.

Mr. Deputy Chairperson: I thank the honourable member for that statement.

We are dealing with 3.(b) Income Maintenance Programs (1) Social Allowances \$236,802.

Mr. Martindale: I believe it was the last time we were here that I was asking questions of the minister about a brief, and it is quite possible that the minister has not seen this brief since I have had a chance to look it up. It was originally addressed to the Minister of Health (Mr. Orchard). I am referring to An Action Plan for Food Security for Manitobans by the Nutrition and Food Security Network of Manitoba.

I would like to give the minister a copy of this brief just in case he or his staff do not have one. I would like to ask a few questions on some of their recommendations and then give the minister a copy of this brief.

He also asked who were the authors of the brief, and there are some organizations that are listed: the Manitoba Association of Registered Dietitians; the Manitoba Association of Home Economists—Winnipeg; the College of Family Physicians, Manitoba Branch; the Manitoba Medical Association; Winnipeg Harvest; and the Manitoba Anti-Poverty Organization.

I would just like to ask questions on a few of their recommendations because there are many, many recommendations, the first one of page 4, having to do with policy and legislation. They recommend that "a common method of calculating social allowance rates at both the provincial and municipal levels that reflects the true cost of basic needs" be implemented.

Now I wonder if this is not already happening in that we have a standardization of social assistance rates. So I guess that would be my first question. Is this already the case that there is just one method of calculating the rates since the province is only paying standardized rates to both municipalities and to provincial recipients?

Hon. Harold Gillieshammer (Minister of Family Services): That was the intent of the legislation, and we are certainly moving in that direction.

Mr. Martindale: The next recommendation is to "increase provincial social allowance rates to meet actual feeding costs for infants." I would like to ask the minister if he and his staff will review the considerable data that was provided by this coalition and see if there cannot be improvements to the rates by the provincial government for the cost of feeding infants.

Mr. Gillieshammer: Staff in our department are always eager to review any reputable data that comes forward.

Mr. Martindale: Then I would like to give the minister a copy of the brief just in case he does not have one.

Next, I have a copy of a letter addressed to the Premier (Mr. Filmon) from the Rural Municipality of Thompson. It has to do with provincial social assistance recipients who are being denied provincial benefits and handed over to the municipality. They are told that they can appeal. The municipality is saying in the meantime they are the responsibility of the municipality. The municipality is objecting to a number of things. One is having to pick up the cost in the short term, and, secondly, not having the resources to provide any kind of employment training to make these people employable.

I think the basic point they are making is that these people have been previously considered unemployable. All of a sudden they are being terminated from the provincial system and handed over to the Rural Municipality of Thompson, who are saying that they do not have the resources to help these people to become employable. So I would like to share this letter with the minister as well, and he could respond now or at some later time.

Mr. Gillieshammer: Well, as the member is aware, the province is responsible for the unemployable caseload and the municipal tier of government in Manitoba is responsible for the employables.

* (1430)

Occasionally there is a discussion between our government and municipal governments as to where a client should access services, and there is a review process that takes place, and there is a paneling procedure that takes place. I can assure you that we, in our relationship with rural municipalities and other municipalities, try to be as fair as possible. I think that the member probably would understand that in the employable category, there may be various levels of employability in terms of the talents that people bring forward.

We do have an opportunity to have discussions on that topic, and there is a mechanism to resolve those. The difficulty sometimes occurs when there is a disagreement on the final determination. As a result, there is a way to adjudicate that and the process, by and large, works. If rural municipalities communicate to my office, we always would review those cases.

Mr. Martindale: Could the minister tell us if there is any change in the use of vouchers by rural municipalities, and municipalities in general? Is the rate of use of vouchers relatively constant over the last few years, or is there any increase or decrease in their use?

Mr. Gillieshammer: We are not aware of any changes there. I would be interested in knowing the member's thoughts on the use of vouchers, though.

Mr. Martindale: I think my thoughts are limited to my understanding of the rules, that normally they are used where people are deemed to be incapable of using cash responsibly, although I suspect, although I have very little evidence, that some people in rural areas find it objectionable to be put on vouchers because then it means that their friends and neighbours and storekeepers know that they are on social assistance. I guess that is part of my concern, that if municipalities are using vouchers regularly, then the fact that people are on assistance is no longer confidential, given what happens in the small rural communities.

Mr. Gillieshammer: But the member would certainly understand the importance of someone accessing that voucher to provide food for their family. It would be important that the basic needs of the family are met, rather than having the more fluid form of assistance perhaps be used for other less desirable products.

Mr. Martindale: I have no objection to them being used if someone thinks that there is a reason that vouchers should be used in place of a cheque. My only concern would be if it is a policy of some municipalities to use vouchers routinely which could be seen as punitive or even identifying people who are on social assistance, therefore making it less desirable and possibly even encouraging them to leave the municipality and move to Winnipeg say.

Mr. Gilleshammer: Well, I do not think that is a common outcome. I know that we do not really recommend the municipalities one way or the other, whether they use the cheque from the municipality as opposed to vouchers, and often I think they are probably in the best position to make those determinations. I would point out that in emergencies we often will have a voucher system used at that government level and sometimes in remote areas as well. So I guess it is an issue that we have not taken a position on either way and allowed the municipalities who are responsible for that tier of social allowances to determine what is in the best interest at that time.

Mr. Martindale: Could the minister tell me if it is correct that pregnant women in the third trimester are eligible for an extra food allowance?

Mr. Gilleshammer: I am told that the answer to that is yes.

Mr. Martindale: Has any consideration been given to giving extra food allowance for pregnant women in the first and second trimesters?

Mr. Gilleshammer: What the member is saying is that we should have higher rates at that time, and the rates apparently are adjusted at a particular time in the person's pregnancy. It appears that has been an adequate way of dealing with this. I am further informed that if a doctor prescribes some special diet, we will meet the costs.

Mr. Martindale: Numerous groups that lobby us would like to see provincial recipients be eligible for a telephone. I would like to ask the minister if any costing of this has been done. It is usually groups in Winnipeg that advocate this. I suspect that the cost would be considerable, but I am wondering if an estimate has been made of the potential cost to the system.

Mr. Gilleshammer: Yes, we do have an estimate, but it would be of considerable cost to the system. It is an issue that has been brought forward by the three lobby groups that I have met with on a regular

basis: the Social Allowance Coalition of Manitoba, WORD and the MAPO organization.

The estimates are estimates because a fair percentage of the recipients now have telephones. If we were to pick up that cost, it would be somewhere around \$3.5 million. In talking with the advocacy groups they do have a list of what the next item would be, and occasionally we get requests that say that all recipients should have a deepfreeze. There could be strong arguments made about that in terms of long-range planning and preserving frozen foods and so on and so forth. Others come forward with other ideas. So telephones is one of the items on that list.

Mr. Martindale: My understanding is that currently some recipients are eligible for a telephone if they meet certain criteria or certain situations. One of those is if a woman is being harassed or abused or threatened. I have been told that the onus seems to be on the client to prove that they have been threatened before they can get a telephone or even that they have to prove that they had already been abused. I would like to ask the minister if he could clarify the policy, please.

Mr. Gilleshammer: Well, I might point out, on our particular caseload of some 27,000 cases we have approximately 18,000 of those cases that have a telephone number listed on their file. We do provide phones for three different reasons. One of them is safety. Certainly, there is a discussion that takes place about the particulars of the case before that request is acceded to.

Mr. Martindale: I have been talking to a number of employees in the City of Winnipeg social services department who found themselves in a very awkward position because they were advising their clients not to take their income tax return to a tax discounter, or get a cashback immediately, but rather to file with Revenue Canada and wait for the refund, because they would get more money that way.

* (1440)

However, the rules changed on April 1. My understanding of this problem is that the result was that those who went immediately for their cashback got more money than those who waited because the rules changed on April 1. I think that was a most unfortunate situation for the workers, but particularly for the clients. I am wondering if the minister could tell us when the decision was made around the

changes and what the rationale was for changing at April 1.

Mr. Gilleshammer: Budgetary decisions are part of a budgetary process that started for us back in August, and those decisions are made during discussions between the department and central government in terms of the decision making. Of course, the decisions are announced when the Finance minister (Mr. Manness) tables the budget.

Mr. Martindale: Was the provincial government or were provincial ministers, like yourself, consulted by the federal government prior to their recent budget regarding the change of four GST rebates a year to two rebates a year?

I believe this is going to negatively impact particularly people on social assistance since they depend on that income—not income, but reimbursement—and secondly, because the timing has been changed from four to two, the months in which the cheques arrive will be less timely for them. Previously, they might have had help with Christmas bills and also with back-to-school supplies, but those two rebate cheques will no longer be arriving. The money will arrive with the other two cheques, but was this minister consulted on that change?

Mr. Gilleshammer: The answer to that is no, but I can see that the member is now a firm proponent that money should be doled out on an even basis, perhaps a monthly basis like the tax credits in Manitoba. I can see that the arguments that we have put forward have persuaded him to again change his mind on this. I appreciate your openness and the support on this because I think when we made that decision and made that announcement, we did so for the right reasons. While there is sometimes a little inconsistency that goes along with being in opposition, I am pleased that the member has come around to his senses and agreed that is a good way to do it.

Mr. Martindale: I regret that I used the word "timely," because that was the word that the minister used in the previous debate on another topic. He is transferring it to this debate, and it is not relevant.

I would like to ask the minister if you have communicated with the federal Minister of Finance and objected to this change since it is going to adversely affect many people on the social assistance who are your responsibility.

Mr. Gilleshammer: I have not personally communicated to him anything related to the

budget, but our Premier (Mr. Filmon) and our Minister of Finance (Mr. Manness) will be involved in discussions at that level and will be conveying the thoughts of our government.

Mr. Martindale: I have a copy of a letter from the Income Security division in Dauphin dated April 20, addressed to Tarty's Taxi at Skownan, Manitoba, regarding medical transportation, saying that there has been apparently a change in policy authorizing trips only on Tuesdays and Thursdays for medical appointments. I would like to know what the rationale is for this and whether this applies to every small community or only to this community.

Mr. Gilleshammer: I am not aware of that correspondence, but if the member would like to table it, we will have a look at it. The fact of the matter is, we do provide transportation from certain communities to other centres where medical needs, dental needs, other professional needs to do with health are looked after. It is a very expensive proposition, and government historically, I think, has been very generous in supporting that type of transportation. I would be pleased to look at the correspondence the member is tabling, and I would also suggest to him that I would be in favour of any manner in which we could economize on the transportation side if we can at the same time accommodate the health needs of those people who access the system.

What I think we would like to move towards is determining whether that transportation for those health needs is for emergencies or whether they could be categorized as nonemergencies. If there can be some savings to government by transporting nonemergency cases to that type of professional assistance on certain days of the week, I would certainly think that we would be in favour of that. So we have to make a distinction there on the needs of the individuals, but I can tell you that in the past the department, I think, has been very accommodating and very generous in having those people transported for those specific professional services.

Mr. Martindale: As a result of being asked to help a family who moved into Manitoba, I have some questions around the policy on social assistance providing money for the purchase of furniture. I would like to know, what is the current policy and how long has it been in place?

Mr. Gilleshammer: We do have a policy on people who are arriving within the community, and the

department's responsibility is to analyze their situation and see how we can best serve them. There are times when the department will advise that perhaps a furnished apartment should be taken. There are other times when it appears that this is a permanent move, a long-term move, and because of the needs of the family, part of the special needs could be for furnishings. So it comes down to a bit of a judgment call as to how those clients are served.

I might just give you a hypothetical situation, that if a family moves to Manitoba and wants the services, needs the services of our department, the worker may determine that because they have moved here four or five times in the past four or five years where furnishings have been supplied, this time we may say: Because of your pattern, it appears, of moving in and out of the province, we would suggest a furnished apartment till you make a decision on whether you are going to stay here or not. So there is some flexibility there, and there is some judgment that workers in district offices can make.

* (1450)

Mr. Martindale: I am sorry I do not have Hansard here from a Question Period, but I believe that in response to one of my questions the minister said, there is no firm policy in writing, it is up to the individual worker, which would correspond with what you are saying today.

On the other hand, when we were trying to advocate on behalf of an individual, one of the senior staff in Income Maintenance said that the province will not pay until the person has been a resident for two or three months.

Can you tell me which is the actual policy?

Mr. Gilleshammer: Well, again, the staff, the district office, need to make some determination on what the plans of that family really are. If there are long-term plans to remain in Manitoba to set up a permanent housing arrangement here, that is one thing.

If the history of that particular family is such that they have frequently moved and that furnishings have been bought in the past, and then they get sold and they move back to another province, and then six months later, they are back here, the department is a little more wary about just what it is going to provide.

There are some general guidelines, but workers can use individual discretion on a case-by-case

basis. Many of our experienced workers, I think, because of their experience, have some feel for what the appropriate decision in that particular case might be. So there is discretion that the case worker has.

Mr. Martindale: Could the minister tell us if there was a saving to the province as the result of standardization in the areas of CRISP and 55 Plus?

It is my understanding that city social assistance is cost shared with the province. So, if the city drops programs, is there a saving to the provincial government?

Mr. Gilleshammer: There would appear to be an indirect savings in that if people do access the CRISP program, then it is deducted from their social allowances. So, if there was a jurisdiction that was paying the full social allowance plus the CRISP and that recipient discontinued the CRISP to receive the full funding from that municipality, there would be a savings to CRISP.

Mr. Martindale: My understanding is that the result of standardization for the City of Winnipeg is a loss of about \$2.2 million. Could the minister tell us if that was entirely provincial money or city money or what the share would be there?

Mr. Gilleshammer: The program of standardized rates started a few weeks ago, and the figure that the member is using is the city's estimate. We will not have firm figures on that, of course, till we get looking at the month-end figures in the coming months.

Mr. Martindale: It is my understanding that city social assistance pays 20 cents on the dollar of their expenses, and the other 80 cents on the dollar would be cost shared 50-50 by the provincial and federal governments. So, if a program is discontinued, can you not figure out the cost or the saving to the province?

Mr. Gilleshammer: You are right in that the city is responsible for a small portion of the social allowance, because it is cost shared by the province and by the federal government. That cost sharing is a little bit more complicated in that there is a different cost sharing with some municipalities depending on the balanced assessment that exists, but, by and large, municipalities are responsible for about 20 percent of the dollar spent in social allowances.

What I am saying to the member is that if a family is accessing CRISP, and let me point out that the

CRISP program was brought in and put in place for the group of people that we refer to as the working poor, this municipality chose to flow the CRISP or have people who are accessing CRISP not have it deducted from their social allowances. So we have an adjustment period that is going to take place here, that if these people continue to access the CRISP program, then it will be deducted from their social allowances.

Mr. Martindale: I have a copy of the single-parent families report, which was prepared by the Manitoba Advisory Council on the Status of Women. It is dated November 1990; the covering letter or news release is dated April 22, 1991. My colleague the member for Wellington (Ms. Barrett) asked a question of the minister on December 9, 1992, and, in response, the minister said, we will use that material to see how it fits with the provincial program and certainly decisions will be made in due course.

Since the government has had this report for over two years, I wonder if the minister could tell us which recommendations have been implemented and which ones have not and what progress is being made. Are there some recommendations that are going to be implemented in the short term and others in the long term, and if so, which are they?

Mr. Gilleshammer: We would have to get to the specific recommendations that the member is referring to, but, as I said, in answer to an earlier question, the department readily accepts reports and documents that come forward from whatever source. That is part of the analysis that the department will use in determining rates and program changes.

I can tell you one of the program changes that came about as a result of reports like that is the fact we are allowing single parents, who are on the provincial social allowance roll, to maintain their health card as they move to employment. This has been an innovation in Manitoba that has been well received, and, again, an idea that had been around for a long, long time. We think that it is going to have a positive benefit for that particular group on provincial allowance, and we need some time to determine just how successful it is.

As I told the member the other day, my colleague in Saskatchewan and my colleague in British Columbia are very interested in that and are trying to convince their government and their Treasury

Board and their colleagues that we should move in that direction.

Mr. Martindale: I would be appreciative if the minister could reply to me in the future, hopefully the near future, on which recommendations the government plans to implement, which ones you are not going to implement, and what the rationale is for the ones you are not going to implement.

Mr. Gilleshammer: The ones we have already implemented the member will have knowledge of, and it is always difficult and risky to announce new initiatives until they have been approved. I guess I would have to ask the member to be patient and wait for our opportunity to officially announce them.

(Mr. Jack Reimer, Acting Deputy Chairperson, in the Chair)

Mr. Martindale: Could the minister tell us if, as the result of this budget, there are any changes to the SOSAR program? My understanding is that SOSAR is for single parent women who are unable to go to university. I cannot remember what the acronym stands for.

Mr. Gilleshammer: That was a special opportunities program that is part of the Department of Education. I guess the question would more appropriately be asked in those Estimates.

Mr. Martindale: Is that one of the programs that has been transferred from Family Services to Education?

* (1500)

Mr. Gilleshammer: No, that has been part of their programming before, and they take the lead on that program.

Mr. Martindale: I have a copy of correspondence sent to the minister by the Manitoba InterFaith Immigration Council and also some newspaper articles by Marty Dolin, the executive director. I am wondering if this is an appropriate place to ask questions about funding to shelters.

Mr. Gilleshammer: It is really under the Family Dispute line and we would have appropriate staff here. I might just comment that I do recall seeing the correspondence from that individual.

Mr. Martindale: My next question is a general one about social assistance. If there is a greater demand for social assistance than this minister and Treasury Board have budgeted, where does that money come from? Do you have to take it out of

other parts of your budget or do you go back to Treasury Board for more funds?

Mr. Gilleshammer: This is the one program that we have the statutory obligation to offer and, as a result, if we go over budget then that funding has to be provided, contrary to other jurisdictions, of course, that budget so much money and when the money runs out the program ends. We make some projections about the increase in the volume that we are going to anticipate and try to live within those targets, but if we do not we still have to find that additional money.

Mr. Martindale: The Minister of Finance (Mr. Manness) has indicated that there will not be supplementary budgeting. Is it correct to say that that does not apply to social assistance due to the reasons that the minister just gave?

Mr. Gilleshammer: We will have to obviously flow money to people who need to access that safety net. That is an issue that we have always had to face at that particular time of the budget year. I can say we will meet our obligations.

Mrs. Sharon Carstairs (Leader of the Second Opposition): I apologize if this is somewhat repetitious, but unfortunately I had a school that I had to be at.

Is there a clear set of guidelines between municipalities and the province as to who gets municipal assistance and who gets provincial assistance?

Mr. Gilleshammer: Yes, there is.

Mrs. Carstairs: Is that information available to all municipalities?

Mr. Gilleshammer: Yes, it is.

Mrs. Carstairs: Can that information be made available to the critics?

Mr. Gilleshammer: Yes, we can provide that the next day we meet.

Mrs. Carstairs: There is obviously some areas in which there is a dispute between the provincial government and municipalities as to which should be responsible. I understand that the letter from Brian Schwartz was already tabled today indicating with respect to the appeal situation.

Can the minister outline the major areas of disagreement between the two levels of government as to which level of government should, in fact, be paying the social assistance costs?

Mr. Gilleshammer: The lines are generally pretty clear that the disabled community and individuals who need to access the system in that area, the single mothers, are our responsibility. Any employables are the responsibility of municipal government.

I think where we sometimes get into cases that need to be adjudicated are where there has been a change in the circumstances of perhaps someone's health to determine whether there has been improvement and they are now employable, or they were on the employable category and they now would fall onto the provincial roll. There is a medical panel that reviews those and adjudicates those. So that has not been a big area of dispute.

Possibly more of a dispute area is the long-term employables who cannot find the training and who cannot find the employment. I know at the last UMM council a motion was passed whereby one municipality brought forward a motion that said: If someone had been employed for 90 days, they should revert from the municipal roll to the provincial roll. That is something we will discuss with them, but at the present time if the individual is deemed employable, then it is our position that they remain on the municipal roll.

There is no question that, while in the past there had been a turnover rate probably every six months or so in which individuals who were employable would find work and then perhaps it would be full-time work or perhaps they would go on to UIC but perhaps not come back to that system for some time, if ever again, in today's world it appears that the clients on the municipal level are staying for longer periods of time.

It is an issue that we have had some very preliminary discussions with UMM and MAUM when they come in and the City of Winnipeg to usually review their resolutions, and we enter into those discussions. It has also been discussed at the officials level, and I guess considering that we have some 27,000 or 28,000 cases, the municipal tier is up to maybe 18,000, we have not had a lot of disputed cases. There are some, and often some of these come from small communities where there is tremendous community pressure that comes onto the municipal government because, as you may be aware, in a small community there are not many secrets. Unfortunately, the business of the council is known by everyone, and possibly the business of everybody else is known by everyone too, and there

does tend to be some community pressure to do something about that individual. I mean, we hear stories from days past where bus tickets are issued on a one-way basis to bring somebody from Ontario to Manitoba or bring someone from a certain area into another jurisdiction. I think less and less of that is happening as programs generally are being standardized.

Mrs. Carstairs: When someone is terminated from provincial assistance, they do have a right of appeal, but presumably in the case that Mr. Schwartz is addressing they go then on municipal welfare. Has the government considered the possibility of keeping them on provincial assistance until such time as their appeal has been determined?

* (1510)

Mr. Gilleshammer: Mr. Acting Deputy Chairperson, generally we do see that people do not sort of fall through the cracks on that short-term basis, and municipalities generally do the same thing. The appeal process is fairly short. It has to take place within 15 days, and generally those determinations are made pretty quickly. I think it was the other day the critic for the opposition had indicated that perhaps we should have a longer period, and maybe one of the downsides of that is that you do not get the determination as quickly as possible. It is, as he indicates, kind of a gray area. We know that some municipalities will take those responsibilities, and there are times when the province does that depending on the specific case.

Mrs. Carstairs: I happen to think the 15 days is a legitimate period of time and that it should be done as quickly as possible. I also wonder about the cost of the paper chase. If somebody is terminated from provincial assistance and has the right to make an appeal, then goes on municipal assistance, then wins the appeal, then goes back onto provincial assistance, is that not an awful lot of duplication of administrative expenses that could be eliminated by just saying you have 15 days to appeal and during that 15 days you will remain on provincial assistance and the final determination is the final determination?

Mr. Gilleshammer: Yes, I am told we do that in a number of cases. You are raising the question of sort of bureaucracy, and it is an area that we need to do more work in, in terms of the amount of paper that does flow. It perhaps leads into the question, too, of whether we should have two levels of

government involved in social allowances. Only Nova Scotia, I believe, and Manitoba do that now. Ontario is just in the process of changing and are looking at the offsets that have to take place as the province takes over. We are sort of getting some vibrations, I guess, in Manitoba from some municipalities that they would like to move in that direction in Manitoba. I guess that full debate really has not taken place yet.

Mrs. Carstairs: I have certainly used figures, you have certainly used figures, with respect to the number of social assistance recipients who live in the city of Winnipeg, but is there an actual breakdown by caseload? For example, there are 27,000 on the Social Allowances Program; 29,000 on the Health Services Program; 22,000 on the Municipal Assistance Program; and 10,000 for the Income Assistance for the Disabled Program. Is that broken down into Winnipeg and non-Winnipeg?

Mr. Gilleshammer: Yes, we have that information. If you just give me a minute, I can provide it for you.

I will maybe start with the provincial distribution. On what is called the mothers allowance, we have 11,611 cases: 3,700 in rural Manitoba; 7,800—I am rounding these numbers a bit—in Winnipeg. In the disabled category, we have 11,702: 4,800 are in the rural area; 6,800 in Winnipeg. Then we have the general assistance, which, of course, is all in rural Manitoba. This refers to that caseload in areas of the province where there is no municipal government, and there we have 1,693 cases. Then we have some others for a total of 27,881 provincial cases. The distribution there is 40.3 percent in the rural areas and 59.7 percent in Winnipeg. So that is a fairly close, I think, relationship to the population of the province, give or take a percentage point or two.

On the municipal side, the caseload in Winnipeg, and this is an estimate for the 1992-93 year that is just completed, is a little over 18,000. Now, the non-Winnipeg caseload is 1,800. I do not have the percentages worked out, but obviously, it is close to 10 to one, those cases that are found in the city of Winnipeg.

So we have a municipal caseload of just over 20,000, and that has been the growing caseload. Our provincial caseload grows maybe at 3 percent, in that area. The employables, not unlike other provinces, is growing rapidly.

The Acting Deputy Chairperson (Mr. Reimer): Item 3.(b)(1) Social Allowances \$236,802,000—pass; (2) Health Services \$14,727,400—pass; (3) Municipal Assistance \$111,055,600—pass; (4) Income Assistance for the Disabled \$9,410,000—pass.

Item 3.(c) Income Supplement Programs (1) Salaries \$700,700.

Mrs. Carstairs: Can the minister tell me exactly how many are now covered by 55 Plus, and how that figure has been declining?

Mr. Gilleshammer: The 55 Plus, of course, has a senior component and a junior component, and the total of those projected for 1993-94 is 22,295. That is an increase from last year's estimate of 21,000, the actual in '91-92 of 21,000; the actual in '90-91 of 22,000.

So there has been a decline from a high in 1987-88 of 26,000 down to around 21,000, and now, we are sort of projecting maybe about an increase of 500 there for next year.

Mrs. Carstairs: Is the reason for that projection based on the fact that there seems to be an awful lot of people in that 55-65 age group who have become unemployed during the recession?

Mr. Gilleshammer: The decline certainly has taken place mostly in the senior component—that will be the 65 and over—from a high of about 20,000 in '87-88 to around 14,000 the last three years and into next year.

The junior component throughout '87 right into about '92 has remained fairly stable at around 6,500. The projection for the completion of this past budget year is that it would be up about 300, and we are projecting it would go up another 300. So that would be one of the possible factors.

Mrs. Carstairs: Does the minister have a breakdown as to how many of these are women?

Mr. Gilleshammer: It is not information that we have. We, I am told, can, on the junior component, compile some information on that.

* (1520)

Mrs. Carstairs: I was just interested in the demography of it quite frankly, so I do not want staff to be busily counting up numbers. I just thought if that information was available I would get it, but I certainly do not want to assign a whole new task for somebody over there.

In terms of the ability to now collect CPP at age 60, has that been reflected at all in the numbers that are collecting 55 Plus?

Mr. Gilleshammer: Our feeling, and what staff have told me over the last three years, is the benefits from CPP, the benefits from other pensions that have given that particular age group, more income is the reason that those numbers have been coming down. I guess it was not that many years ago where poverty amongst the elderly in society was a really focused issue. It seems in many ways, because of the pension plans plus CPP that have been coming on stream, that those numbers reflect that.

Mrs. Carstairs: It is interesting, because the most recent poverty profile which I received, which was an update for 1991, does not reflect that. I would have been of the same belief obviously as your staff that we should have been seeing that coming down. I was quite shocked when I saw this, that that was not the case, that it seems to be going the other way, which leads me to the question of, when was the last time the 55 Plus was actually increased?

Mr. Gilleshammer: The last increase there was in the year 1990-91.

Mrs. Carstairs: Does the minister or staff have available the cost-of-living increase since that time?

Mr. Gilleshammer: Well, the cost of living that we used this last year in determining the allowances was 1.2 percent; the previous year, I believe, it was just over 3 percent.

Mrs. Carstairs: I am sorry, Mr. Minister, I was trying to do something else.

Mr. Gilleshammer: The figure we used this last budget year was 1.2 percent, and the previous year was just over 3 percent.

Mrs. Carstairs: So in other words, since 1990, the people who are receiving 55 Plus have seen a decrease in their benefit package from 55 Plus of 4.2 percent. Is that correct?

Mr. Gilleshammer: The rates—I believe, what the member is saying—yes, the rates have not changed since '90-91.

Mrs. Carstairs: Can the minister indicate why it was determined that this supplement would not be increased, even though similar increases have been given for social allowances?

Mr. Gilleshammer: It is the view of the department that the social allowances is the program of last resort and the only income for those individuals,

while the 55 Plus is regarded as an income supplement.

The Acting Deputy Chairperson (Mr. Reimer): Item 3.(c) Income Supplement Programs (1) Salaries \$700,700—pass; (2) Other Expenditures \$277,200—pass; (3) Financial Assistance \$14,102,700—pass.

Item 3.(d) Regional Operations (1) Salaries \$20,073,100—

Mr. Martindale: If it is appropriate, I would like to ask some questions about the Society for Manitobans with Disabilities Inc.?

Mr. Gilleshammer: The more appropriate place for that would be under the next group of lines, Rehabilitation, Community Living.

Mr. Martindale: Okay. Well, let us talk about child care then.

Mr. Gilleshammer: Well, that is part of Resolution 9.4, under Community Living and Day Care. So if we pass Regional Operations, we can go to that right away.

The Acting Deputy Chairperson (Mr. Reimer): Item 3.(d) Regional Operations (1) Salaries \$20,073,100—pass; (2) Other Expenditures \$5,741,600—pass.

Resolution 9.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$414,658,000 for Family Services for the fiscal year ending the 31st day of March, 1994—pass.

Item 4. Rehabilitation, Community Living and Day Care. Provides co-ordination, direction and support for a range of services to mentally disabled adults, day care facilities and families eligible for financial assistance using day care services.

Community Living and Vocational Rehabilitation Programs: Provide services for the care, accommodation and assistance of adults with a mental disability; provide vocational rehabilitation programs for adults who are physically, psychiatrically and mentally disabled; and provide support services for children with mental and physical disabilities and their families.

Manitoba Developmental Centre: Provides residential care for the mentally disabled.

Child Day Care: Licenses and provides program support to day care facilities and eligible families.

4.(a) Administration (1) Salaries \$614,300.

Mr. Martindale: Mr. Acting Deputy Chairperson, I would like to start with some recommendations from the Provincial Auditor for the fiscal year ended March 31, 1992, regarding the Society for Manitobans with Disabilities. There are a number of recommendations and status of action, and for most of them the recommendation is implemented.

I wonder if the minister could update me on the recommendations that were in the process of being implemented when this report was published as found on pages 150 and 151.

Mr. Gilleshammer: As I have indicated before, we do take advice from a number of organizations and, certainly, the Provincial Auditor brings forward information that we work with our external agencies to incorporate. Perhaps, if the member wanted to refer to specific recommendations, we could do it on that basis. I might be able to give you some information here of how we are making out.

* (1530)

There were some observations and recommendations that I can comment on.

One was that the department should co-ordinate funding, and funding from the Department of Family Services has been centralized within the Rehabilitation, Community Living and Day Care division. This was facilitated by the transfer of the Children's Special Services branch to the division from the Child and Family Services division.

Secondly, the department should undertake a critical analysis of SMD's financial situation, and a review team with representation from Agency Relations, Program Budgeting and Reporting, Children's Special Services and divisional administration was struck to develop a format to enhance the reporting mechanisms utilized by SMD in order to undertake a critical analysis of SMD's financial situation to ensure that funding matched need. The working format was presented to SMD officials, and they are working on completing the required information.

Thirdly, the department should review its funding approval process to ensure funding decisions are communicated on a timely basis. Funding decisions are communicated as soon as possible within the constraints of the annual Estimates.

Fourthly, the department should strive to improve communications with SMD. Improved communications with all agencies is a priority within the department. The process of entering into service

and funding agreements with external agencies will foster communication. The assistant deputy minister of Rehabilitation, Community Living and Day Care meets regularly with the executive director of SMD.

Fifthly, the department should implement a system to provide for the ongoing review and assessment of the management practices of funded agencies. I would say that schedules to the service and funding agreement define management and financial information reporting requirements. This, in turn, provides for enhanced monitoring of both financial and management practices. The department has issued to all agencies a board development guide—I think I gave members copies of that—concerning the roles, responsibilities and functions of a board which will serve to enhance agency management accountability.

The sixth item: The department should develop analytical review procedures and apply on a timely basis. The department has adopted analytical review procedures and is undertaking these reviews on a timely basis.

The seventh one: The department should implement a service delivery agreement with SMD. I would say negotiations are continuing with SMD on a service and funding agreement.

So that covers those seven observations and recommendations made by the Provincial Auditor.

Mr. Martindale: Did any of these recommendations have an impact on the budgeting decisions this year that had such a great effect on the Society for Manitobans with Disabilities?

Mr. Gilleshammer: The items there that refer to process we are still proceeding with. We have continued to work with them on some of those items, and we think that the Auditor has really pinpointed some crucial areas. Negotiations on the service and funding agreement, which are certainly impacted by budget decisions, are ongoing.

Mr. Martindale: It is my understanding that with a 10 percent budget reduction they lost \$800,000. Is that correct?

Mrs. Carstairs: Mr. Acting Deputy Chairperson, perhaps this would be easier if we could have from the department the payments to external agencies for all income security and regional operations.

Mr. Gilleshammer: You are referring to our grants listing?

Mrs. Carstairs: Yes.

Mr. Gilleshammer: Yes. We do not have it here today, but we can make copies available for you next day.

Mr. Martindale: Was the minister able to confirm that this was \$800,000 from their budget?

Mr. Gilleshammer: We are just calculating it because we fund them in a number of different ways, a number of different areas. The 10 percent is correct. You can either proceed with another question, or if you want to wait a few minutes, we will have a number for you.

Mr. Martindale: Obviously, this organization is very concerned; as a result of this budget cut, they laid off 14 staff. I would like to refer to correspondence that they wrote to the minister on March 29, which I have a copy of. If the minister would like to have it in front of him, I could—well, I was going to use it to ask my questions. I will just ask the questions. I am sure the minister is quite capable of answering these questions without the letter in front of him.

On the second page, they say that cuts in grants to such organizations as SMD, CNIB and CPA, which receive federal cost sharing under CAP and VRDP, ignore the fact that the province has cut 50 cents of revenue for every dollar of expenditure reduction.

I am wondering if the minister and his department considered the effects of reducing funding to an organization where that funding is cost shared with the federal government so that the effect, I think they are saying, is that federal revenue which comes to Manitoba that hires staff and provides programs and services is being lost to this organization and to the Province of Manitoba.

Mr. Gilleshammer: I will start by answering your further question about what the 10 percent meant. It is \$420,000. In all of our deliberations on budget, we have to take into consideration, of course, the money that flows out of provincial coffers in its entirety and also consider that there is cost sharing under CAP and VRDP. However, that is only part of the equation in making budget determinations. If we were to say that we would never reduce money flowing to agencies because it is matched dollar for dollar with the federal government, then we would always be escalating those figures because we are spending 50-cent dollars. By the same token, we would, if you use the same logic, then be reluctant

to approve any spending where it is 100-percent dollars.

In answer to the question, we are certainly aware of programs that are cost sharable. You know it is, again, as your Leader has frequently said, very, very difficult decisions. I know the member is aware, through the discussions that we have had, of the tough decisions that other provinces have to make as well, even to the point where it is drawing comment from colleagues within certain parties who are not recognizing, as they are in opposition, how difficult it is to make those decisions. I know it must be very difficult. The Prime Minister indicated in the House yesterday how difficult it is for party structures to remain in tact when federal members are being critical of provincial leaders, and, again, because they are in opposition, maybe not recognizing what it is to have to make those decisions and how that is quite a different role than being in a critic's role.

* (1540)

Having said that, we certainly take into consideration the revenue sources that we are able to access and know that boards of these external agencies have other sources of income. They have, in some cases, surpluses in properties and so forth. So their budgeting is not simple either, because we know that they do not just depend on provincial funds, but where we fund them, probably 50 percent, if not more, of their funding, that is enough to make an impact and require them to make some very serious decisions.

Mr. Martindale: I will ignore the lecture that the minister just gave me and go on to the next point that the Society for Manitobans with Disabilities make, and that is, they say the juxtaposition of these grant reductions against significant growth in some departmental expenditures raises additional questions about the department's priorities and the value of services provided by the voluntary sector. Now, they are referring to departmental expenditure increases between '89-90 and '91-92 which are not very relevant to this budget for '93-94 when we see departmental expenditures declining except for the increase in social assistance.

However, the point that they go on to make is that they believe that client services provided directly by community-based agencies operating with lower salary levels and funding from a variety of other sources is a better way to spend money. They say

a 5 percent increase in personnel services paralleled by a 1.5 percent decrease in grants transfer payments does not support the principle of leadership by example and only serves to create an impression that government looks after its own first. But I think that refers back to previous years budget figures. I think the point that they are making is that because their salaries are lower and because they are a nongovernment organization, they can provide services more cheaply than similar services delivered directly by government. I wonder what the minister's response is to that argument that they are putting forward.

Mr. Gilleshammer: Well, that is something I am very interested in, and I am pleased that the member recognizes that there are agencies out there that perhaps government could purchase service from or contract out to as opposed to government having to do those things. I think the member is on to something here that perhaps it is something we should do more of in looking at having agencies outside government deliver services, and we do sometimes get a chance to do those comparisons. As the member knows, in a number of areas within Family Services, we have outside agencies that are the front line delivery method, and in some areas of the province, the department staff do it.

I do not know whether we have ever done a real thorough comparison of the cost of service, but, you know, the member makes a good point, and I think it is something that we should pursue through our Policy and Planning branch to see if we can free up some funding in some areas, because we have lots of places to spend it, as the member well knows. So if we can provide services cheaper in some way by contracting out, then maybe we should do more of that.

Mr. Martindale: Their next comment is that attention should be paid to reducing duplication between services provided directly by government and those provided by the voluntary sector with the intent of shifting more services from government to the voluntary sector.

Is this something that the minister is also in favour of, and is it something that his department is examining?

Mr. Gilleshammer: I think we have to be careful if we are shifting services to the voluntary sector. We talked about Winnipeg Harvest the other day being the voluntary sector in terms of providing food. I do

not subscribe to the fact that government can just walk away from its responsibilities to provide that basic safety net and depend on the volunteer community.

Mr. Martindale: I guess I would make a distinction between organizations that operate almost entirely by volunteers, such as Winnipeg Harvest, and organizations like the Society for Manitobans with Disabilities who are operating with paid staff. So I am not sure what they mean by voluntary sector. Perhaps they mean nongovernment sector.

They go on to say that rehabilitation agencies play an important role in preventing institutionalization. I think what they are saying is that, if money flows to their organization for prevention and rehabilitation, they can save money because it may keep people out of institutions and out of hospitals and save money in the health care system.

I think that is quite a good argument. They seem to feel that by your government's reduction in its grant and reduction in rehabilitation services that is inconsistent with decreasing future costs to government.

Mr. Gilleshammer: Well, I guess that was a comment rather than a question, but I will engage in that. For sure, the Society for Manitobans with Disabilities provides some extremely valuable services to individuals across this province.

I am sure all of us are aware of individual cases where intervention by SMD has provided a quality of life that was very, very important. I can certainly think of specific cases in my own community where they have been just extremely supportive of a number of families.

We are going to pursue, in our service and funding agreement, a continuing relationship with SMD.

I think, through the Auditor's Report, we have had a reminder that agencies and organizations like that, from time to time, have to examine the services that they provide and how they do business and find those areas of duplication that exist, whether it is duplication with government or duplication with other agencies and organizations. We will be pleased to continue our relationship with them to assist them in becoming the most effective organization that they can be.

Mrs. Carstairs: Mr. Acting Deputy Chairperson, in the Objectives and Expected Results of the subappropriation, it stated that one of the expected

results is the "development of program plans and policies which are responsive to changing client needs." One would presume from that that one would have to have some knowledge of the client's needs.

In the area of child care, I am going to ask this minister the same question that I have asked him twice before. Is this perhaps the branch that would have done some analysis of the client needs and told the minister that there was in fact a capacity for those receiving subsidies to go from a dollar a day to \$2.40 a day?

Mr. Gilleshammer: Yes, within this branch is housed our daycare staff. We rely on the input of the staff within that branch to bring forward the statistics, the information and the recommendations of how we can accommodate the needs of the daycare community and do that within the budget allocations that we have.

The member's question is one that has been raised before. I had the opportunity two nights ago to meet with a group of daycare parents in a certain area of the city where we talked at length about subsidies and the various kinds of daycares and the number of spaces available.

There is some concern in the community that we are reducing the number of subsidized spaces that government was able to accommodate in the last budget year. I have assured those parents with issues and concerns, and certainly have assured the member for Inkster (Mr. Lamoureux) today that the daycare staff will be working with individuals as changes take place within the system.

* (1550)

I suppose there are different ways of managing these changes. For instance, our subsidy is based on an income test, and the change that we made is not income tested, other than if you are on subsidy that you are being asked to contribute more.

The feeling was within the department that the people who are accessing daycare have the ability to make that additional contribution.

Mrs. Carstairs: The minister indicated, which I already knew, of course, that the subsidy was income tested and the amount of subsidy that is provided is based on the amount of income that the individual has.

Can the minister tell us then if the department had new information which would indicate that people

had additional income that would enable them to pick up an extra \$1.40 a day per child and, in some cases, an additional \$2.40 per day per child since they were not paying the original \$1 a day per child?

(Mr. Deputy Chairperson in the Chair)

Mr. Gilleshammer: I am not aware of any of the centres that were not charging the original \$1 that have now decided to charge that \$1 plus the \$1.40, but perhaps there are, and we will ask for that information from the department.

The grid which has been worked out to determine subsidies certainly has clientele within that subsidy framework at a variety of levels of income.

The department and the information brought forward by this branch was such, when we had our discussions in making this decision, that the people who were accessing the full subsidy and those that were accessing the partial subsidy would be able to accommodate another \$1.40 a day. There were obviously alternatives that we have discussed. We felt that this was a small amount that the client would have to contribute. Government, for the majority of the subsidized clients, is providing, if not the total amount in the past, nearly all of that amount. It was felt that parents with children in child care could make that small contribution.

Mrs. Carstairs: I think we have a slight semantics problem here. The daycares that I have spoken to indeed charged \$1 a day. The point was, they did not get it. They could not get the \$1 a day from the client, so they were in fact writing it off, if you will, as a bad debt at the end of their fiscal year. So those are the ones that I am saying, if they found that these people could not pay the \$1 a day, now they are being asked to pay \$2.40 a day, in essence \$1.40 per day increase per child, what kind of analysis—the minister said that this branch did in fact provide statistics—what kind of statistics did this branch provide to the minister about the number of child care spaces for which there was not \$1 a day paid that would give him a sense that there was a capacity for them now to pay \$2.40 a day?

Mr. Gilleshammer: Well, that information that the member is looking for is lodged within the various daycare centres. Some of the centre boards have made decisions passed onto me through the MCCA not to charge the \$1 a day. Some centres made a decision to include that as part of the charge, and some centres did both. They in their own estimation did some incomes testing, and some of their clients

were paying the \$1 a day and some were not being charged that \$1 a day.

It was the feeling and the conclusion arrived at within our department in discussing this with the staff from the daycare office, looking at information that we had, that this was an amount that parents could contribute to the child care that they were accessing.

Mrs. Carstairs: Can the minister tell the committee the amount of income that a family would earn that would entitle them to a full subsidy?

* (1600)

Mr. Gilleshammer: Perhaps before I start I will just introduce the staff that have joined me: Tannis Mindell, is the Assistant Deputy Minister; Kim Sharman with her staff, and Gisela Rempel from the Daycare office.

The net family income to qualify for subsidies if, and it depends on the composition of the family—a single parent with one child at an income of \$13,787 would get a full subsidy and would get a partial subsidy up to \$24,369. A single parent with two children would get a full subsidy at \$16,341 and a partial subsidy up to \$37,505. A single parent with three children would get a full subsidy at \$18,895 and a partial subsidy up to \$50,641. Two parents, one child, full subsidy at \$16,341, a partial subsidy up to \$26,923. Two parents, two children, full subsidy up to \$18,895 and a partial subsidy up to \$40,059. One final example, two parents, three children, a full subsidy at \$21,449, and a partial subsidy up to \$53,195. In all cases that is net family income, total after-tax family income less UI, CPP premiums and other mandatory deductions.

Mrs. Carstairs: Mr. Deputy Chairperson, the figure that the minister gave me for a single parent with two children was an income of \$16,341. As a result of this change, according to my calculations and I stand to be corrected, that would be \$1.40 a day for two children at 52 weeks a year would be \$676—\$676 out of a total income of \$16,341 in additional costs. Can the minister explain to me how this person could do this?

Mr. Gilleshammer: I point out to the member, and I do not have my calculator in front of me, but government's contribution to the daycare of those two children would be in excess of \$30 a day for 52 weeks of the year, so we as government through this particular branch are providing a considerable amount of subsidy for the care of those children, and

the feeling, in looking at the changes that we had to make in subsidies, I am told that would be a contribution on the part of government of \$8,320.

Because of the demands on the system, and I point out that we have licensed some 3,000 more spaces in the last few years, we have doubled the amount of funding that we have put into daycare over the last five or six budgets, that there are various ways of doing this to try and remain within a budget that I think the print this year is some \$47 million. We could have recharged the subsidy to take a considerable number of parents off subsidy to not have this additional charge, but we felt to maintain the system of between 19,000 and 20,000 licensed spaces and to still have some 9,600 children being subsidized, that we would make the changes that led us to ask for a contribution of \$1.40 a day.

Mrs. Carstairs: Nobody is denying that these individuals are already getting large sums of money from the government. I simply asked how a single parent on \$16,341 a year, raising two children, can afford to pay an additional \$676 a year? I just want to know how the minister thinks they can do that?

Mr. Gilleshammer: Well, I point out to the member that \$16,000 that she references is net income, that there is other income that flows to that family through various tax credits and other government programming. Again, every family has decisions to make and we realize that they are difficult decisions. I think what the member is saying is yes, you could live within the budget, but take the money from somewhere else, and certainly those were options we looked at.

Mr. Martindale: I wonder if we could go back to another part of the department if it is okay with the minister. I have a newsletter from the Ability Network from November 1992, and they talk about graduates from high school with developmental disabilities. They refer to the fact that some 70 graduates throughout Manitoba completed high school in 1992.

Apparently there are no statistics on what happens to these students after high school because there is no tracking mechanism in place. I would like to ask the minister if he thinks this would be something worthwhile doing, finding out if these students went on to post-secondary education or into employment.

Mr. Gilleshammer: Well, yes, I would agree with the member that a tracking system to follow these graduates would be very important. We do some transitional planning with individuals as they come out of the public school system at age 21, but this is an area of our department which we have many of the toughest decisions to make in terms of providing programming.

This is the area where in fact we have waiting lists of people to get into appropriate housing and day programming and on-the-job training and jobs where there are full-time coaches and staff available, and we do have some statistics to show what happens to these individuals in the years immediately following their leaving the training institution that they were involved with and do this transitional planning, but as far as long-term statistics, it is an area where we could improve.

Mr. Martindale: I have had the opportunity to talk with quite a few externally funded agencies, and some I have been able to tour. One that I saw earlier this year was Brandon Community Options. I was in one of their group homes, in one of their workshops, and asked them how the budget was going to affect their operation. They explained how they planned to alter their budget due to a two percent cut to fundings for per diems, and I believe they lost three percent on other rates.

I guess one of their biggest problems is that their staff are unionized, and they have already in place a collective agreement that requires a two percent wage increase in October. So they are faced with some very difficult budget decisions. I think they will find a way to survive this year. They have to. They have no other choice unless they shut down their group homes, and they do not intend to do that, but they are concerned about next year as well as this year. I believe the Minister of Finance (Mr. Manness) has already announced a 1 percent budget reduction in all departments for next year.

Is there any ability for this minister or his department to indicate to externally funded agencies and organizations what may be coming down the road for next year so that they can do some budgeting in advance that hopefully they will not have to redo after the provincial budget is tabled? It seems to me that this is a particular problem when budgets are going down rather than up, but that they would appreciate being able to do some long-term budgeting rather than have to go through a crisis, particularly the kind of crisis they went through this

year when they had finished their budget process and then found out they had much less money to operate but had increased expenses like a collective agreement that they had agreed to with a two percent salary increase.

So I wonder if the minister can give some indication of what changes he might be able to make for organizations for their budgeting process next year.

Mr. Gilleshammer: Mr. Deputy Chairperson, certainly these community organizations have very, very difficult decisions to make as their boards of directors grapple with budgets. The member referenced, I think he said, a union that they belong to, and I am very interested in what Premier Rae is talking about in terms of social contracts and to see if perhaps some of the unions would take a little less to maintain staffing and programming and be able to leave intact basically the programming that is there. The message is certainly out there that this government, as well as all governments, is going to have a difficult time accessing more funds in the coming year.

I am not sure what comment the member is referring to that the Finance minister has made, but I know last year we sent out cautionary letters in the month of November, I believe it was, to indicate to groups that access funding from our department and many departments, that they should not expect that their funding would remain as it was last year. I think the environment is out there now where organizations realize that accessing additional funding in the 1990s from government is going to be very difficult.

* (1610)

We will work with the various boards of these organizations to assist them in helping make any transition that they have to make and make any adjustments that they have to make to recognize the realities that are in place. The programming for individuals in the various training programs that are offered, not only in Brandon but also in Winnipeg and other parts of the province, basically are going on without a lot of changes from last year. The easiest place to make those adjustments is on the wage side, and I think that the member will find that these workers will be co-operative with their boards as they too recognize the situation that faces them.

Mr. Martindale: Mr. Deputy Chairperson, I would like to ask some questions about child care now.

First of all, referring to the comments that the minister made earlier saying that no centre is charging the dollar a day plus the \$1.40 a day, I would like to—[interjection] Okay. The minister says he did not say that so we will wait and see what is recorded in Hansard and revisit that on Monday if necessary.

I believe that the problem with centres who are not charging the new \$1.40 a day is that it is putting downward pressure on their salaries, that either because they feel their parents cannot afford it, which is true in many, many cases, or because the parents are unable to find the money or in fact pay that money when it is due to their child care centre, that child care centres find other ways of making up for that shortfall in funds. I do not know where they are going to take that money from. I do not suppose child care centres know yet whether it is going to come out of equipment or supplies or food, but certainly it is going to put pressure on salaries. Either they are going to ask their staff to make sacrifices in terms of wages or they are not going to give them increases. I think that is probably one of the worst effects of the increase in fees to parents.

We know already that child care workers are underpaid compared to people doing similar jobs, such as nursery school teachers. We know that the child care community would like to see wages increased even if it is over a matter of time, but the result of this government's policies are that those salary increases which are deserved and which have been something they have been campaigning for for several years are not going to happen now as quickly as they could have or should have.

I would like to ask the minister, first of all, if he took this into consideration when they decided to implement a new and additional fee to parents.

Mr. Gilleshammer: What I had said earlier, and I would clarify for the member that in the previous budgeting and accessing of funds for child care, centres had the ability to charge an extra dollar a day. Many of them did; some of them did not. Some of them charged some of their clients that dollar, and others did not because of the fact they felt that it was not possible to do so.

What I said to the Leader of the Liberal Party (Mrs. Carstairs) is that I was not aware of any centre that was not collecting the dollar before that is now collecting \$2.40, but that I would check with my staff to see if there were cases where those centres were

not collecting before but were now collecting the full amount.

To get to the member's question, I think he is focused very clearly on the issue in daycare as one of salaries, that when I have met with the various daycare organizations and individual daycares, salaries have certainly been a topic that we have wanted to discuss and that they have wanted to discuss.

The salaries are dependent on, of course, the amount of money that a daycare centre can access, and they basically have just a very few places where they can access those funds. They get a government grant, they get subsidies and they charge parent fees. As well, they have been accessing money through Community Places organizations and the Community Services Council, plus they get donations and they do fundraising. So all of that income goes into the crafting of a budget for that centre.

Then within the centre, of course, they have to determine their staff ratios, and this is encompassed in legislation, but a number of those centres determine that they want to have staffing ratios that are enhanced, and of course, that comes at a cost. They also have a basic minimum of what staffing complement, as far as training goes, has to meet certain standards.

So all of those variables are in there. Of course, the other figure that comes into their budgeting is the fact that a number of them have surpluses from money that has flowed through in previous years. We, again, over the last six budgets now, have put many, many millions of dollars into the Child Day Care line here in Manitoba which flows through subsidies, through grants, to the centres and eventually becomes part of their staff salaries, because that is the big expense. There is no question, when you look at the budgets that centres have, that salaries are the major, major component of that.

I know on the education side, school divisions often say that 80 percent of their funding goes to salaries. I suspect in daycares maybe that would not be far out. Those salaries do take a large chunk out of the disposable income that board has.

Manitoba has a lot to be proud of. We have the highest standards in the world for child care, and those standards and those regulations have not been changed. In fact, it led Carol Draper to say

recently, on March 7 of this year, that Manitoba has one of the best systems in Canada and we need to be proud of it. She does compare Manitoba daycares to those in other jurisdictions.

When I was at the conference in Brandon, last fall I believe it was, a group had been contracted to do a study of daycares across Canada. It is called Caring for a Living. This was information that they shared with the assembled daycare providers that were in attendance during that conference. They did a comparison of salaries and programs across Canada. Manitoba fares very, very well in that comparison.

I know the member has told me before that we should not be comparing wages from one jurisdiction to another, but—[interjection] Well, I am sorry if I misinterpreted that from the member. I know that in doing negotiating—and perhaps he has colleagues that have done negotiations—one of the measuring sticks that you use is interprovincial comparisons. For instance, if you look at hourly wages across all positions the national average is \$9.60. In Manitoba that average is \$9.85. I believe only the province of Ontario is higher than Manitoba.

If you look at the average wages by position, for instance for assistant teachers, on an hourly basis the national average is \$8.29. In Manitoba that is \$8.60. Again, Ontario is higher.

* (1620)

If you look at the teacher directors—and I will maybe move to annual wages. The national average for annual wages for teacher directors is \$20,498. In Manitoba it is nearly \$24,000. So again it is substantially higher than you would find across this country.

Finally if you look at the administrative directors who hold these positions across the country, the annual wage nationally is \$25,804. In Manitoba the administrative director annually gets an average of \$30,031. That is the highest in the country as far as the provinces go.

While I do recognize and am aware that wage is an issue, and I would say it is an issue largely in the centres in Winnipeg, because I know I had the opportunity and I know the member for Wellington (Ms. Barrett) had the opportunity to visit some of the centres outside of Winnipeg.

In the last year I was in a centre in Ste. Rose and another one in Russell, Manitoba, and wages are not as contentious an issue there as they are here

in the city, because they recognize that their wages are higher than many people working in what they would deem similar positions on Main Street in rural Manitoba are getting. So that is an issue, but it is mainly an issue in certain parts of the province.

The other factor that came out of this conference in Brandon and this study is the turnover rate, which is also indicative of whether, I suppose, the daycare is dealing with the service appropriately and whether staff in fact are satisfied with their jobs. The national turnover rate was listed as 26 percent, and in Manitoba that was 22 percent. This study that was done for the daycare community does indicate that there are issues, but it also indicates that Manitoba comparatively is reasonably well served.

Mr. Martindale: Could the minister tell me the year of the study to which he refers?

Mr. Gilleshammer: Yes. It says the data collected was June, 1991, and that was a year when I could maybe give you our budget figure for 1991. I know this past year our budget in Manitoba was \$46 million, and we have overexpended it by \$5 million. We are print over print this year indicating that the budget will be a little over \$47 million. In 1990-91, the budget was 42.9 and of course compares favourably with later in the '80s when it was down around \$28 million.

Mr. Martindale: Could the minister tell us what has happened to average salaries in 1992 and 1993 in Manitoba?

Mr. Gilleshammer: This is the most recent comparative data that we have, and I am not sure whether we have more information or not. This was from the fall of 1992.

Mr. Martindale: Could the minister tell me if the increases in the budget were due to the Salary Enhancement Grant, or what was the major reason for the increase? Was it more children in child care or some other reason?

Mr. Gilleshammer: The increase in Manitoba's budget from the late '80s to the present is that we have more spaces. We have licensed some 3,000 more spaces than were there in 1988. The subsidies have increased, and the volume of people accessing daycare has increased. So there is an increase in volume, and there is an increase in the amount of funding that government is dedicating to daycare.

Mr. Martindale: I would like to go back to some of my questions in Question Period and some of the

minister's statements. In response to a question from the member for The Pas (Mr. Lathlin) on April 15 of this year, the minister said that the number of subsidized spaces was being reduced from 10,000 spaces to 9,600 spaces, some 400 spaces.

I have asked the minister similar questions about the effects of capping, and once we had letters that have gone out from the Child Day Care office, I asked the minister what the difference was between 400 spaces and 400 cases and never really received a satisfactory answer. We have these letters now, so the situation is much clearer.

I would like the minister to finally admit that what I was asking was correct, that in the past where two or three parents were sharing one space, that will no longer be the case because, to quote a letter of April 8, 1993, and this letter is signed by Doug Ritchot, Assistant Director of Finance and Administration. It says in the first paragraph, and I quote: Each subsidized case at your facility refers to one child, whether that child is enrolled on a full-time, part-time or extended-hour basis.

So could the minister confirm that indeed there is a difference between reducing 400 spaces and 400 cases?

Mr. Gilleshammer: Perhaps it would be clearer if I said that last year we provided subsidy for 10,000 children, and this year we will be providing subsidy for 9,600 children.

Mr. Martindale: Let me ask a slightly different question. If, in the past, those 400 spaces were shared, in some cases two or even three children sharing one space, and now the policy is that each subsidized case refers to one child, is it not possible that far more than 400 children will be affected, that those 400 spaces could be shared and therefore could be more children than 400?

Mr. Gilleshammer: My staff confirm that it will be 400 children.

Mr. Martindale: I guess I am going to have to go back to the child care community because that is not the way they are explaining it to me.

Perhaps the minister could try to clarify because I think there is some confusion about the difference between spaces and cases. Perhaps the minister knows where this confusion is coming from.

Mr. Gilleshammer: If there is any confusion with daycare centres, I know they know that they can pick up the phone and call our Day Care office to clarify

that for them, and I think maybe I have clarified it for the member. Last year, we had 10,000 subsidized children, and this year's budget we will be able to accommodate 9,600 children. We, I am sure it is safe to say, have individuals and centres calling our Day Care office on a regular basis, and if they want their individual circumstances clarified for them, they can pick up the phone and call our staff and get those answers.

Mr. Martindale: I think there are probably three issues that the child care community is primarily concerned about, all of them the result of funding and policy changes. We have already dealt with two of them, the increase in fees and the capping of spaces or cases, whichever may be more accurate. The third one is the reduction in the number of weeks of subsidized care for a job search. I probably had as many or more phone calls on this than almost any other change in the child care system.

Repeatedly what people are saying is that two weeks is not enough to search for employment and that if they are not successful in finding employment, there will be no subsidized child care for their children, then if subsequently they do get a job or go back to university, that there will not be child care available, and therefore they may not be able to accept a job or go back to school.

* (1630)

Just as the member for Inkster (Mr. Lamoureux) has had individual constituents phoning him, I have had many constituents and nonconstituents phone me. For example, a single parent, who was on social assistance with two children, went back to school, went to the adolescent parent centre operated by Winnipeg School Division No. 1, was on the Student Social Allowances Program, another program eliminated by this minister. She graduated, and then she took a computer course. She was employed—I have her resumé here—and unfortunately she lost her job. She was laid off. She now has two weeks to find employment. She believes that she is going to be unsuccessful. She will then have no alternative but to turn to social assistance.

This is an individual who wants to work, who is willing to work, and I would say that all of the people who have phoned me have emphasized that they want to work, that they are willing to work and that they are diligently looking for employment. This

individual, as many others, believes that the two-week rule is very unrealistic.

In fact, probably the most interesting conversation I had was with an individual who has been following the advice that their child care centres have been giving, and that is to phone the minister's office, to phone the Premier's (Mr. Filmon) office, to phone their MLA and to phone the opposition critics. We have been getting lots of phone calls. One of my constituents phoned the Premier's office and would not allow one of his staff to take a message, insisted on speaking to the Premier. Much to her surprise, the Premier phoned her about ten o'clock at night from his car. I think she was shocked but also very pleased, and so they had a very interesting conversation which she related to me.

An Honourable Member: It happens all the time.

Mr. Martindale: Well, I am pleased to see that even the Premier and ministers return calls to individuals. I am surprised if you have time to do that. I think it is good if you do go to the trouble of returning some of those individual calls.

My constituent said that—she related this same message that I am giving now and which you have heard over and over again, I am sure, that two weeks is not a realistic period in which to find employment in a very tight job market. The Premier said, well, he was sure that there were jobs there. She assured him that there were not. She had been to Canada Employment and could not find employment, and the Premier suggested that she try the newspaper. This individual thought that the Premier was really out of touch with reality in terms of seeking employment.

I would like to ask the minister how he can justify this policy. I would like to know what kind of research was done in making the change in policy from eight weeks to two weeks. Did you contact Canada Employment Centres? Did you look at the kind of employment that many parents are in who make use of subsidized child care for their children, many of whom are women, many of whom are single parents, many of whom are probably in traditional kinds of employment for women, such as retail trade or retail work, the retail service industry?

I would like to know if an analysis was done before the policy was changed? Did your staff, for example, contact Canada Employment Centres and ask them what is the average time that people spend looking for employment from the time that they

register to the time that they get a job? If the minister can justify this, I would be happy to pass this on to the people who are phoning me.

I would like to know what kind of analysis was done before the policy was changed.

Mr. Gilleshammer: The member has raised many, many issues there regarding people losing their jobs, people on social allowances and people needing and accessing daycare. On Tuesday night, one of my colleagues and I spent some time discussing these issues with a group of parents at one of the daycares in the city.

There were varying opinions amongst those parents about people's ability to pay for daycare, people's ability to access training, people's ability to access jobs. Some of them certainly reflected what the member has just said, that it is no surprise that the job market is difficult out there, particularly with university students and soon high school students coming into the job market as well.

What we were finding was that the 16 weeks that the Manitoba daycare program allowed was certainly more generous than other jurisdictions, some of whom have no provision for subsidized daycare if in fact they were unemployed. So we realize that this is a difficult change that has been made in the provision of seeking employment for people wanting daycare, and the difficulty is there because of the fear that the subsidized space may not be there when they feel they required it.

For many taking training programs, of course, they do not begin looking for work the day of their graduation. They have, in fact, been looking for work perhaps for the last few months as they come to the end of their program. This we recognize is a reduction in a service that was there before but is one of those really difficult decisions that government has had to make to live within the budget.

We have reviewed all the other options, I think, in previous days of increasing taxes and finding the money elsewhere, taking it from other programs. The daycare program in Manitoba is still a very generous one. I will not go into the comparisons with the one in the province of Saskatchewan, but Manitoba's program compares very favourably with what is offered anywhere in Canada. There is an adjustment period here as we move from a very generous benefit to one that is not as generous.

There will be some people that will find some difficulty with this.

Again, as I indicated to the member for Inkster (Mr. Lamoureux) today, we, through the daycare office, will help assist in whatever way we can to try and ensure that people access spaces and subsidies if they require them.

As the school year comes to an end and another school year starts in September, we do have a turnover of spaces and of subsidies. So there will be another window of opportunity at that time for people who perhaps—students go back to school, more employment becomes available.

Mr. Martindale: I am very disappointed in that answer from the minister. I did not ask the minister what opinions did people have about the situation. I asked the minister what analysis did he or his staff do before making this major policy change. Did they even phone one Canada Employment Centre? The minister has not answered that question. I would like to have that question answered.

The minister said that the policy in Manitoba is more generous than other provinces. It almost implies that being more generous is a disadvantage or an excuse for making the program less generous.

It reminds me of the response that this minister repeatedly gave when we asked why the Student Social Allowances Program was eliminated. The minister repeatedly said that the Student Social Allowances Program was the only one of its kind in Canada, as if, when you have a good program that is some sort of justification for eliminating it, that it was the only one of all the provinces.

* (1640)

I am very disappointed in the answer that the minister has given me. I would like to ask him again, what kind of analysis or research did you do in terms of the average number of weeks it takes people to find employment?

Mr. Gilleshammer: Well, I am sorry, because I did not mean to disappoint the member. I can try again. Sometimes when I get a lengthy rambling question I tend to give the same kind of answer.

The department, of course, gathers a lot of data, a lot of statistics on caseload, on subsidies, on grants, on surpluses, on budgets, and brings forward the information that does the analysis and comparison with other jurisdictions. It does a fair amount of analysis of what the trends are, which I

think is what the member is asking, what the trends are in terms of people completing courses and moving into the workforce and analyzing who our client base really is in daycare. All of that information is available to the minister and senior staff in looking at the various components of our budget.

I just want to assure the member that the daycare branch of our department does a tremendous amount of work in providing the information that is required to make these decisions. I would take some exception to the comment that because we have more generous programs that this is some sort of disadvantage.

Again, in difficult economic times where governments across this country are making those tough decisions to close major hospitals, or close pretty well all the rural hospitals in the province, or to enter into the social contract to downscale wages in the provinces, the fact that major political personalities within the member's party are now publicly bickering about how is the best way to bring costs into line should be evidence for the member to know that these are very, very tough decisions.

If we do have a program that is one that is not offered in any other jurisdiction, we have to ask ourselves, is that a program that is absolutely necessary? Is it a program that has a higher priority when the program does not exist anywhere else?

So, for sure, there are programs that are offered during good times. During the '70s and '80s when the government of the day was accessing income at double-digit amounts, they, of course, regrettably did not save money and did not pay off the debt and reduce their deficit. They simply spent more.

Well, we do not have that luxury anymore. I mean, nobody has displayed it more eloquently by his actions than Premier Romanow or the comments made by Premier Rae that these are difficult decisions. I know your leader has said many times that governments face these difficult decisions on programming expenditures and revenue.

We have clearly decided here not to raise the sales tax. We are not raising the personal income tax or the corporate income tax. In fact, we are reducing the tax, particularly the tax on jobs. This will help to stimulate the economy and we believe by leaving that money in the hands of people that there will be more job creation.

So we did have to look at some downsizing of programs within this department and make those difficult decisions that your leader has alluded to. Again, we do not take any delight in reducing some of these programs. At the same time, we did not want to have our sales tax go up to 9 percent or 11 percent, as you see in other provinces where it has had a tremendous impact on the ability of citizens there to purchase goods and services.

Mr. Martindale: Well, I am sure that the minister's staff has done a lot of analysis, that they know a lot about their clients and they know a lot about people moving into employment and training. I am sure that, as the minister says, they have done a tremendous amount of work, and I am sure that they are a hard-working staff.

But I think in his answers that the minister is stonewalling. The minister has not answered whether or not the staff did an analysis of how long it takes to seek employment, on the average, and make the decision on that basis.

I think the minister should just defend the policy change and say it was done for monetary reasons, was not based on an analysis of how long it takes to seek employment and admit that that was the reason he made the decision and defend that decision instead of talking about a whole lot of other things that are irrelevant and extraneous to the answer.

Mr. Gillehammer: Mr. Deputy Chairperson, I at no time have denied that decisions that go into the design of a budget are anything but budget decisions.

As far as the seeking employment, we used to have within our branch programming that helped to create employment for people who had been out of the workforce for some time. The programming has now been transferred to the Department of Education, and a lot of the statistics that the member perhaps would want to discuss in more detail will now be logged within the Department of Education where there has been a combining of training and education programs that were once in Family Services and Labour and now are part of a more focused Department of Education and Training.

We do have, across government, information on those who seek employment and how long they are out of the workforce and know about the difficulties. What we need to do is focus more and more on the types of training in the 1990s that are going to get

people back into a very much restructured economy. If the member will look at the statistics that have come out recently with the increased number of full-time jobs in Manitoba and the unemployment in Manitoba, he will see that this program is working very well.

Mr. Martindale: I would suggest that this government's policy of reducing taxes to put more money in the hands of consumers to spend money and stimulate the economy has been an abysmal failure. We are deeper into the recession than ever, and I think this government shares at least some of the responsibility for that.

I would like to move on to some specific questions having to do with the Lakeview Children's Centre. I see they met with the minister on January 21, 1993, and I have not had a chance to update myself on what has been happening there in the last couple of months, so this is a good opportunity to do that. They were requesting full funding for 28 spaces and they requested that they be informed of decision regarding funding before the end of February to facilitate the implementation of their 1993-94 budget.

I am just wondering if the minister can begin by telling us the current funding status of Lakeview Children's Centre.

Mr. Gilleshammer: Yes, I can certainly do that, and I am pleased that the member has put on the record that he is against reducing taxes, because that makes him very much consistent with what his fellow travellers are doing in B.C. and Saskatchewan and Ontario. The idea of gaining more revenue in government, of course, is to increase the sales tax, increase the income tax, increase whatever tax they can find. It reminds me of that old adage of the members of the NDP: there was no tax they did not like and no tax that they did not hike. That is proving true.

In terms of accessing more money it is a decision that we definitely made, to leave that money in the hands of the consumer who is spending it and who can spend it better than government. The message to Manitobans is very clear, that if the honourable critic was in government, increasing taxes would be one of the first priorities to access that money to enhance programs and perhaps create another Jobs Fund.

We talked about that the other day, the hundreds of millions of dollars that were spent on those green

signs across the province, that not one permanent, sustainable job was created. I do not know whether the member has had the opportunity to read the comments of his leader, who was, I believe, the head of the MGEA at the time and who criticized the Pawley government for sending people out to erect signs and to paint fences and to count flowers. That is the type of job stimulation that members of the New Democrats would, at least in the past, recommend.

* (1650)

I cannot help but note again the tremendous philosophical rift that has broken out in Ontario about what government should do. You have the federal New Democrats who, of course, are in opposition demanding that government spend more and tax more and have more programming. Then you have the reality of New Democrats in government who are there hiking sales taxes, hiking personal income tax, closing hospitals, closing schools, cutting out the GRIP program in Saskatchewan. That is the reality that they are facing. So there is quite a dichotomy of thinking that exists between New Democrats in opposition and New Democrats in government, and I am pleased again that the member has put on the record that he is opposed to reducing taxes.

Now, I believe he was asking about the Lakeview Children's Centre in Langruth. Yes, I did have the opportunity to meet with the director and a number of board members. Of course, Lakeview has been a model of a daycare centre in a very small rural community that is able to provide daycare services to an extended community at extended hours. We are pleased at the way they have developed and provided the service, I think, for some 42 children in that area, I believe was the number they used when we met a few months ago.

They have demonstrated that if there is a will to put a centre together and provide that service in a small community, they can do it. In fact, other organizations such as the Women's Institute and the Department of Agriculture, as well as our department, have monitored the development of the centre and looked at it as a possible model for other areas. Again, other areas make their own decisions and realize that in many cases, the home daycare is the best level of service to offer to farm families.

We have also entered into a bit of a pilot project with the Women's Institute and the Department of

Agriculture as well as the Department of Family Services to set up the child minder system.

An Honourable Member: A babysitting register.

Mr. Gilleshammer: Yes, and I presume the member is supportive of that. Perhaps he is not, and he will get a chance to put his thoughts on the record if he is opposed to the child minder system. It has worked well in Alberta, and it appears, in the communities where it has started here, that it is working reasonably well and has gained some favour with farm families who need to access that service, particularly at seeding time and at harvest time.

So given the fact that in some areas of the farm community the need for child care is seasonal, the member would appreciate that setting up a centre that operates 12 months of the year sometimes is not the most practical way to go. But, of course, the diversified agriculture that exists in the Langruth area with a lot of mixed farming and people who have off-farm income, it appears to work in that area.

Having said that, the member has asked about the status of Lakeview Children's Centre. I can tell him that it is a full-time daycare centre and that it operates two daycare programs. The preschool program is licensed for 18 children from 12 weeks to 12 years, while the school-age program is licensed for 10 children from five years to 12 years.

Following the restructuring of child care services funding in July of 1991, the preschool program of Lakeview Children's Centre began receiving financial support from the government of Manitoba in the form of a partial grant funding and subsidies for families. The school-age program opened in September 1992 and receives no grant funding, however receives subsidies for families. Lakeview is on the provincial waiting list for full funding for both programs.

At the present time, that is the status with them. The Lakeview Centre, of course, has been operated very well, and as of March 31, just a few weeks ago, had a surplus which can be taken into consideration when they do their planning for the coming year. So the status then is that there is partial grant funding, partial subsidies, and they are on a waiting list for full funding for both of those programs.

Mr. Martindale: I would like to respond very briefly to the minister's long and rambling lecture and say that I am not opposed to reducing taxes. What I did

say was that I was opposed to the economic policies of his government which are a failure.

Going back to the Lakeview Children's Centre, I am not sure I know what being on a waiting list means. Does it mean that they have not been approved as a permanent licensed centre or that their funding is approved year to year or month to month? Perhaps the minister could explain what being on a waiting list for funding means.

Mr. Gilleshammer: I am pleased the member clarified his stand on taxes, that he would like to see taxes go down because that is certainly in line with what people on our side of the House think. I can see that the member, by the time we get voting on later budget items, may be fully in favour of the budget.

The meaning of the partial funding is, it is fully licensed. The licensing is approved. It is the funding that is partial. They get approval for partial funding, partial grants and partial subsidies. [interjection] Five o'clock.

Mr. Martindale: The minister agrees with me that we should call it five o'clock.

Mr. Deputy Chairperson: Is it the will of the committee to call it five o'clock?

The time being 5 p.m., time for private members' hour. Committee rise.

HIGHWAYS AND TRANSPORTATION

Madam Chairperson (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 of the Department of Highways and Transportation.

We are on item 7.(d) Taxicab Board, page 92 in the Estimates manual.

Would the minister's staff please enter the Chamber.

7.(d)(2) Other Expenditures \$87,100.

Mr. Daryl Reid (Transcona): When last we met to discuss Estimates for the minister's department, the member for St. James (Mr. Edwards) had indicated he was going to move forward on the policy section and, of course, decided to be very, very brief in his comments and in fact skipped a great portion of the debate that I think is necessary to find out the policy of this government on various transportation issues.

We had discussed at the beginning of the Estimates for the minister's department the

possibility of moving about various sections, but to accommodate the minister and his staff we had agreed that it might be easier for the minister if we could do it section by section. Since the member for St. James decided that transportation policy was irrelevant in his own position as critic, it is not irrelevant for our party here, and I would like to ask the minister some questions concerning that aspect while his staff is still here, if he is agreeable to that.

Hon. Albert Driedger (Minister of Highways and Transportation): Madam Chairperson, first of all, I cannot dictate the way that my critics operate in terms of—I try to be very flexible in terms of how I allow these things to move forward.

We have moved forward to the point where we have one item left under Boards and Committees which is the Taxicab Board. Other than that, we have Capital left.

I have geared my staff accordingly, because the last time we met, the member for Dauphin (Mr. Plohman) and the critic, the member for Transcona, indicated that under Capital they would want to have very specific information.

It is for that reason that I have with me here today Doug Struthers as well as my Planning and Design individual, Andy Horosko.

I am a little at a loss as to whether the member is now suggesting that we go back to policy. What have we got there in that area? I assumed that once the member gave up the right to speak on that and left and dealt with the other critic, and subsequently we passed that and actually passed all of DDVL and Boards and Committees right up to the Taxicab Board. So I have some difficulty, if we want to redo the whole thing.

Like I have said, we have not necessarily gone under the line-by-line basis. I have allowed as much flexibility as by and large the members wanted, but to go back now and redo it, the difficulty I have with that is that the critics, with all due respect, know for example where we are at with this thing.

I took, with a fair amount of patience, and rediscussed the transference of 2,000 roads to municipalities, and I rediscussed the airline industry, which we had covered already once before, so I think that as the minister responsible I have been relatively flexible and tried to be very patient in terms of trying to give as much information as possible. But I have some difficulty going back, because the member had indicated at one point that he wanted

to discuss the issues under the Motor Transport Board, but when we passed through that area [interjection] DDVL? [interjection] Pardon me.

Madam Chairperson: Order, please. May I ask the co-operation of the committee members to be individually recognized through the Chair to assist Hansard with the recording?

Mr. Reid: Just for clarification for the minister's purpose, I recognize and appreciate what he is saying here. It was my understanding, as a member of the official opposition, I was showing some leniency, I suppose—maybe it is not the right term—to give the member for St. James (Mr. Edwards) the opportunity to come in and ask some questions while I still had many questions on that section.

Maybe I should not have shown that understanding for the individual, and next time I can probably say that I would not show that understanding, looking at what has happened here.

The minister had indicated as well, when we were on the Transportation Policy section, that he would answer questions that I had with respect to carrier authorities. He would rather answer that under the DDVL section of his departmental Estimates. Since that did not occur, and he indicated that it would, and that he would bring forward information with respect to that, questions that I had posed to him in an earlier section—he has not answered the questions that he said that he would under that section.

Now I know it is somewhat inconvenient for the minister with respect to his staff, but those changes that happened were both beyond the minister's control and mine and were directly in the hands of the member for St. James (Mr. Edwards) who chose to ignore Transportation Policy issues.

So I ask the minister—he has a choice here, and I am trying to be flexible and convenient for him—to make it as comfortable as possible for him when his staff is here and can assist him in answering the questions, or I can ask the same questions under Minister's Salary which becomes much more difficult for him.

I am not trying to create a difficult situation. We both, I think, want to co-operate and make sure that I have the opportunity to ask questions as the critic of the official opposition and he has staff available to assist him in answering those questions. I think it is a reasonable compromise.

Mr. Driedger: Madam Chairperson, I do not want to give the impression that I am prepared to go back all the way through this thing and start from the beginning again or certain spots where the member felt maybe that he now wants to raise new issues again under certain sections. If he can be more specific as to what area he wants to get information on, I will give it consideration, but I need to have him be more specific as to—if he is talking about the specific issue of the bills of lading, where the owner-operators had some information that basically was related to the Motor Transport Board, you know, we took that as notice, I think. We are trying to get information on that or probably have the information on that, but I want the member to be a little bit more specific as to which area that we have basically passed already that he wants to get back into, and then I will see whether we can accommodate or not.

Mr. Reid: Okay, that is reasonable. We had not had the opportunity. I have had a chance to review Hansard for the last sitting of the minister's Estimates; we did not have the opportunity to talk at any length concerning VIA Rail or railways in general in the province. We did not have the opportunity to talk about the impact of the WGTA decision by the federal government branch line rationalization. I did not have a chance to receive an answer with respect to the owner-operators and companies impersonating carriers, for which I had written to the minister's office, and also the recommendations of the Royal Commission and the impact that these decisions may have upon the province of Manitoba. I am interested in the minister's viewpoints on those areas.

* (1430)

Mr. Driedger: Madam Chairperson, when last we sat and, you know, by confusion or not being organized properly between the two critics, when we moved forward with this thing that my director of Transportation and Policy—when we finally moved on from this—I have the staff that I thought would be impacted today. I do not have Mr. Schaefer here today. Had the member possibly mentioned on Tuesday night that he was not happy with the way things had gone and that he would like to bring back some of this, then I could have probably made accommodations. Mr. Schaefer is not available at the present time. I am prepared to take and talk—I am trying to be reasonable as well without taking away and spending extra time on it.

The member raised a series of transportation issues. Because of the importance, to my mind, of the railway issue, we can take and maybe have some discussion on that or we can do it under the Minister's Salary. I am prepared to because I think I have a relatively good feel for it and probably could answer the questions without staff being available at the time. The other thing, maybe to help the member, if there are specific areas that he feels have been passed by because of the confusion on the other side, I am prepared to take and have him then maybe submit those questions to me in writing somewhere along the line and we will take and respond.

Madam Chairperson, I have always tried to be very forthright in terms of giving information, and I do not want to take and withhold information or try and cut the member off. [interjection]

Fair enough, but just to maybe not—once the item has been passed, I am prepared to discuss this. I am not trying to withhold information, but we can go back into the transportation policy issue again for all afternoon in the area of the rail industry itself, which was the one area which we did not cover. I would be prepared to go into that, but he listed about five or six issues there. I am a little sensitive because, there, I would need somebody like Dennis Schaefer to come and assist me with that. [interjection]

Madam Chairperson: Order, please.

Mr. Reid: I realize that this possibly puts the minister at a slight disadvantage, but I think he has a reasonable amount of experience and knowledge of his department, at least I assume that. If there is anything that the minister receives by way of questions from myself that he feels he is unable to answer fully, I have no problem with his taking that as notice and coming back at another time, in writing, if necessary, at some later date when he can answer those questions more fully.

I am not attempting to pin him down to something that he feels uncomfortable with here, just give an indication at the time that he can fully answer that later and just give me a general overview of what his impressions are at this time. That is what I am looking for.

Mr. Driedger: Madam Chairperson, to try and help the member as well, because I brought my people here related to Capital and got the impression there were going to be detailed questions asked on my Capital program, I have those people here.

Might I suggest to the member that we maybe would want to, because I cannot take and stonewall on this thing, because ultimately the Minister's Salary comes up—would the member be inclined to take and proceed on the basis of what we have here? Do my Capital, and then I am prepared to try and see whether we can move back to certain areas under the Transportation Policy and discuss that, because I have this staff here at the present time. I know some of the member's colleagues raised with me that they wanted specific answers on certain projects at this time, at this sitting of the afternoon, and that is why I have my people here.

If we go back to discussing the policy end of it for all afternoon, and then we talk about the next sitting that I have these people here again, would the member be amenable? I am trying to help him to maybe go through the Capital, and then we will revert back to the transportation end of it.

I will try to see if I can possibly get Mr. Schaefer to come and attend after we have gone through Capital, if the member gives me some idea when this is going to take place, because I have pretty high-priced help, and I do not want to necessarily jerk them around, saying, you know, we have changed our mind and we are going back to Transportation. You guys get out. I will get Mr. Schaefer back in.

Can we maybe deal with the Capital end of it, and if the member gives me some indication what time he feels we would be up to finishing the Capital, I will try and have Mr. Schaefer come back and then we deal with it on that basis?

Mr. Reid: In an effort to assist the minister, trying to be as accommodating as possible, would it be possible then—I throw this out as a suggestion—that I can ask my questions now under the Boards and Committees section of the Estimates? Because the minister has indicated that he has some staff here that would facilitate discussion on Capital, we could then move into the Capital section. Myself and my colleagues could have the opportunity to ask questions of the minister on Capital, and then if we do not conclude the Estimates at this time, for this sitting, the next sitting we could bring back persons that the minister's department has who have experience in Transportation Policy, so that we can conclude our policy discussion at that time.

Mr. Driedger: Madam Chairperson, I just want a clarification, because I can get Mr. Schaefer back

here later on during the course of today, if he would want to deal with it. But I do not want to take and jack around with my staff here.

On Boards and Committees, we basically have one item left to pass, then we can pass that resolution, and then go on to Capital, we will do that. If the member gives me any time, feels that at what time—within reason, I would like half an hour to get Mr. Schaefer down here—can give me an indication of when he wants him here, then we will make the effort to have Mr. Schaefer come back to deal with the transportation issue.

Mr. Reid: Just one clarification question for the minister then, because we are under Boards and Committees still, he says there is only one area left which, reviewing Hansard, indicates that the taxicab section was being discussed at that time.

Does the minister have staff here to advise him on the Boards and Committees section of his Estimates at this present time?

Mr. Driedger: Madam Chairperson, I do not have my chairman of each committee here, but I am the minister who is responsible—myself and the deputy—so I am prepared to answer questions on that area. That comes under my jurisdiction.

Mr. Reid: Okay, I think we have an understanding then that we will go through the Boards and Committees and I will ask my questions on that of the minister. If there are any areas that he thinks that he might need more information on, I have no problem with him providing that at a later date, in writing, for me.

Since he has staff available to discuss the Capital portions, we can move into that section, and then my colleagues can ask their questions. Then, if time permits, we will go back to the policy issues where the minister's staff would be available to assist him.

Madam Chairperson: Order, please. I would like to remind all members of the committee that the correct procedure for considering items is line by line. Once an item has been passed, the only means by which we can revert back to a specific item is by unanimous consent of the committee.

At this point, we have considered and passed up to item 7.(d)(2) Other Expenditures. Everything up to and including that item has duly been passed by said committee.

What is the will of the committee?

* (1440)

Mr. Reid: I agree with you, Madam Chairperson, I have no problem with that. The sections have been passed indeed. My questions are—yes, inadvertently passed, for conditions beyond my control.

I am not attempting to open up any discussion about the monetary issues within the department, Madam Chairperson, for those sections that have been passed. This is just purely policy that is discussed, and I have asked the minister if he would be willing to do that in an open discussion under a section here, or do it under Minister's Salary, the choice is his. I just tried to accommodate him because he does have staff available when we are not on Minister's Salary.

Mr. Driedger: Madam Chairperson, my question to the member is: When he says "questions," does he mean under Boards and Committees? Are the questions that he has now under Boards and Committees?

Madam Chairperson: What is the will of the committee? We need unanimous consent of the committee to revert back, as I indicated, to any item under Boards and Committees. We have previously already passed—with all due respect to all committee members, due process was followed. We have passed Motor Transport Board, Highway Traffic Board, Licence Suspension Appeal Board and Medical Review, and we have passed (d)(1) Salaries under Taxicab Board.

Mr. Jack Penner (Emerson): Madam Chairperson, why the request to revert back to some of this question is being made—I am sorry, I was not in committee when the pertinent items were discussed. I am wondering, whether the member that is now requesting to revert back to some of these items was not in the House at the time this was discussed and debated or whether he inadvertently passed this by, I believe that the normal procedure in committee is once the items have been approved, that they are then beyond discussion, and that we should proceed with the remaining items as with normal procedure.

Madam Chairperson: As I indicated earlier, the only means by which we can revert back to rediscuss any items previously passed is by unanimous consent of the committee. I have posed the question three times now as to what the will of the committee is.

Mr. Jerry Storie (Flin Flon): Madam Chairperson, on the question, we have of course gone through this type of debate many, many times in Estimates over the past number of years, as the member for Lakeside (Mr. Enns) will attest. We have gone through this type of debate. We all know that in the final analysis, all of the questions that are going to be asked are going to be asked. The Minister's Salary leaves that open. There are numerous opportunities.

My suggestion is that in order to accommodate what was a mistake—let us put the best face on it—my colleague believed that the member for St. James (Mr. Edwards) was going to be carrying on with the line of questioning which he abandoned very quickly after my colleague disappeared for a moment. Several sections were passed inadvertently. My colleague would like to go back and ask some questions.

The legislative time is going to be used. We can either use it debating a senseless point of order, or we can agree to let it go back and the minister can continue with the Estimates process.

Mr. Driedger: We are wasting pretty valuable time here. Might I suggest that we proceed with the Taxicab Board thing. We can pass that. Then we go to Capital because I have my staff here. Then when we get to the Minister's Salary, I will try and answer what I can at that time what the member has missed. I do not want to set a precedent here by reopening this, because this will happen at other committees. So we will proceed on this basis, and what I cannot answer at the time when my staff is not here under Minister's Salary, I am prepared to take it under advisement and get that information for the member as I always have in the past. So that way we can get around this bottleneck here.

I think it is probably just a bit of an indication for all members of the House as they have the responsibility that—it is not my mistake that happened, and I am going to try and accommodate that. So if we can proceed on this basis, whatever else is left we will then deal with under Minister's Salary. If I cannot answer without staff, then I will get that information. So we can proceed without setting a dangerous precedent.

Madam Chairperson: Shall item 7.(d)(2) pass?

Mr. Reid: I thank the minister for agreeing to proceed in this direction. I think we are interested in trying to move this forward as quickly as possible,

and from my side at least I am trying to be as accommodating as I can for the minister, provided that he has his staff here to assist him in that. I am not in any way attempting to blindside him or catch him off guard on this.

The Taxicab Board, of course, has been in the news as of late over the course of the last year and a half for various issues. Even prior to my election in 1990, the Taxicab Board issues were important when we saw many hundreds of members of the taxicab industry storming the front entrance of the Legislative Building. The issues and the way they are dealt with, with respect to the taxicab industry, of course, are important to them, and they have had serious concerns over the years. Now we see that the minister has brought forward legislation with respect to the taxicab industry, and it causes concerns for them again. The minister says, one of his comments was that it was in an effort to recapture or recover the cost of the administration of the Taxicab Board.

Can the minister give me an indication of what those costs of operation are for the Taxicab Board so we can have a better understanding of those real costs? Does he have any historical costs as well that we might have a comparison?

Mr. Driedger: Madam Chairperson, on page 105, the member will see the breakdown as to the amount of SYs that we have involved in that, the board members, the compensation, the total salaries that are there which works out to, in this coming year, we have a budget for \$245,000. That is the salaries for the total component of the board and staff.

Under Other Expenditures, we have the Transportation. We have the Communications, Supplies and Services. There again, that 18.5 which was raised by the other critic the other day is the rent basically for the office space. So the total budget last year was \$335,000. It is \$332,000. By the fee structure that is in place at the present time, about half of that money is recovered. Because there are only two areas under regulations that the board could properly charge extra increases, it was felt that that would put those fees out of reach really or make them unrealistic.

In terms of some of the inspections that would take place, what we are looking at, we would have to have legislation to broaden the scope to be able to take and cost recover for certain services that are

being provided. That basically is what triggered the legislation to come forward, because it is the objective to fully cost recover the operations of the Taxicab Board.

In conjunction with that, there was a few other things that we are bringing forward at the same time. So we thought we have this bill, which I did not consider an onerous bill. The last time I think the bill itself was passed was in 1935, so it is time that there were some adjustments made. Now in the bill, as well, there is provision that where the additional costs are going to be levied, there is going to be provision by the board to take and increase the fees, to offset that so there will not be a financial hardship on the taxicab industry. By increasing the taxicab fees, I am talking the fees to the customers, to accommodate the total cost recovery here, it would still put us in the middle of the pack in terms of our taxicab fares across the country. So that was the objective.

Now from the time that I introduced the bill, and I realized this about the time when I talked to my chairman of the Taxicab Board to bring forward the bill that this was going to start the hue and cry again. I am a little disappointed with the reaction that it set off for the simple reason that if somebody goes through the bill extensively—and I am having some of my colleagues, together with some of the industry, going through some of the portions of the bill. They will be bringing back to me certain views and recommendations that I will take under consideration and have further consultation with the industry before we take and get into committee with this thing if there are areas of concern.

But, generally, it was my perception that bringing that bill forward, that aside from the monetary things involved, there were some positive things for the industry as well which they had raised concerns over a period of time. So the misconception that was created just because you brought forward a bill under the Taxicab Board, that this was to create a problem with the industry is erroneous. I am a little disappointed in that respect because I know the impact on the industry.

* (1450)

The member, and all members, should realize that the taxicab industry is a regulated industry where we have 400 cabs. It has been that way for 20, 30 years. We have never changed from the 400 cabs in this city in spite of the increasing population.

We either have the choice of taking and regulating and doing it as best we can to give the best service for the customers, as well as helping the industry, or else the other option, I suppose, is deregulating the whole thing. If you want to do it comparatively what happens, I think Edmonton has something like 1,400 cabs versus the 400 we have here. So if we want to have a regulated industry, it should be done in a fair and equitable way for both service to the customer as well as the providers of the service, and that is what we are trying to do.

I just want to mention to the member that, subject to the instant criticism and concerns that were raised when I gave second reading to the bill, that I have—like I say, some of my colleagues are working together with the industry just to have a feel and see whether they can—you know, where they have recommendations. I said that once we have that coming forward, I will review it. I have not made a commitment to change necessarily, but I am certainly going to look at what their concerns are and whether they can be addressed.

That was basically what I was trying to accomplish with bringing in the legislation, knowing that it again, you know, creates consternation out there and we are trying to allay that.

Mr. Reid: The minister had said—and I recall in correspondence from the minister's department last summer, when the minister had increased the fees on the operators and owners of taxicabs, he indicated at that time it was to go towards cost recovery.

Can the minister explain to me, are other sections, under the boards and committees, for instance, the Motor Transport Board, the Highway Traffic Board, the Suspension Appeal Board and Medical Review Committee, are they all cost recovery 100 percent?

Mr. Driedger: Madam Chairperson, not 100 percent, but we are moving forward in many cases. Like even we do with the Manitoba Safety Council, which we have been paying grants and we have cut the grant back, we say that the user-pay concept should apply. Why should the average taxpayer pay for those people that are not good drivers, and we have been doing that?

So these are the things that we are looking at with the other boards and committees as well. Some do not lend themselves totally to doing that, but in this particular case, and some of the other ones, we can

move in that direction. I think it is only reasonable to do that.

Well, I will repeat again that I think that only in Manitoba and in B.C. where the province is responsible for the taxicab industry, and I think Vancouver and Winnipeg are the only places where the province adjudicates that. Other than that it is always—you know, invariably even Brandon itself has their own jurisdiction over the taxicab industry.

I make no bones about it that ultimately we intend to get into discussions with the City of Winnipeg to see whether they would ultimately want to take over the taxicab responsibilities which rightfully should be theirs and are in most other jurisdictions with the exception of Winnipeg and Vancouver.

I cannot take and enter into negotiations with the City of Winnipeg if I have the Taxicab Board being subsidized. The city I do not think would be very excited about entering into negotiations if there had to be money put in. That is one of the reasons why in this industry we are looking at moving to total cost recovery without creating hardship for the providers of this service and without putting an extreme hardship on the users of the industry.

So we think we can do that by addressing it under the system we have set up in the bill.

Mr. Reid: Does the minister have any comparable data for the other boards and committees with respect to the cost recovery section that he could provide for viewing so that we might see what breakdown there is on the costs for operations of those other boards and committees versus the fees that would be charged towards that cost recovery, and what percentage that would represent with respect to the full cost recovery like the minister indicates that he is moving towards? Does he have that information?

Mr. Driedger: Madam Chairperson, I do not have that information here. In talking with staff here, they have given me an indication we can try, on the boards and committees, and give comparative figures as to how much we recover and where we are at with it. I am prepared to provide that information later on.

Mr. Reid: I thank the minister for that. Does the minister anticipate, where there is not full cost recovery in those other boards and committees now, since he is moving forward in a full cost recovery direction with Taxicab Board, when would the users of the other services on the boards and

committees expect to see their fees increase as well?

Last summer after we finished the Estimates we were made aware of the new fee increase structure for the taxicab industry? It seemed a bit unusual, maybe it is not. It is just maybe my experience in not being aware of it. Can the minister indicate when he might expect to move towards that cost recovery for the other boards and committees?

Mr. Driedger: What the member sees in the Supplementary Information, there are no further increases contemplated for this year. We are under review in terms of the total operations of our boards and committees every year, but after we get through with this process here, it is my intention to again go through the whole process of my boards and committees to see whether we are getting the maximum bang for the buck, whether they are functioning to the satisfaction of myself and my department. So then we will be looking at that aspect of it.

Here, at the present time, even in the taxicab industry right now, this is what we have budgeted, but when the act gets passed it will make provision for us to implement different rates there. I do not have any other acts that I am bringing forward that would address changes in the financial setup of the other boards or whether I do it by regulation. What you see is what you have got right now, except for the Taxicab Board.

Mr. Reid: Is there a reason why we have started with the Taxicab Board to move in that direction? Is it the most difficult one to deal with and you are getting that out of the way first? Or is it the easiest one that you are dealing with? Is there a reason why we have chosen the Taxicab Board to move towards that full cost recovery and leaving the other ones aside for now?

Mr. Driedger: Madam Chairperson, no. I thought I had explained to the member that part of the reason why, in the taxicab industry, we are looking to full cost recovery is because once we have reached that point and because of the regulations of it, the old legislation is so complex in terms of doing fair increases in some of the areas, we have to change the legislation. That does not mean that we are not looking at the others as well. But in this particular case why I have targeted the taxicab industry is because we want to bring it to full cost recovery at which time I hope that, together with my colleague

the Minister of Urban Affairs (Mr. Ernst), we will be entering in dialogue with the city to see whether they would want to take over the industry.

Mr. Reid: So then the minister's department will be moving in the direction of consultations with the city to have them assume responsibility for the taxicab industry. Do I understand the minister correctly there?

Mr. Driedger: Well, Madam Chairperson, normally I would not even put this on the record because I do not want to take and raise all kinds of expectations and stuff like that. That is the long-range plan, but it will take us two years before we finally get it to full cost recovery. We are looking tentatively at January 1, 1994, before we get to that stage. So I possibly have put more on the record than I should have already in terms of that, because I do not want to raise any fears, expectations the wrong way. That is why we are moving in this process, and that is why the legislation is basically there and obviously will come out during the debate on that as well.

Mr. Reid: When the fee structure changed for the cab industry, there was—I do not know if it is a practice or not or if it is just a matter of putting it on the counter at the Taxicab Board and whoever walks in the door gets a copy of it. Is it possible to, where there are any fee changes for the boards and committees, any of the structures that are there, for members that are acting as critics for this department to be notified of any of those changes and receive a copy of that change?

Mr. Driedger: Is the member referring to all boards and committees or anything within my department?—because it is an ongoing process that we go through in the budgetary process where we review our fees. All the fees are being reviewed, and very often during the process, at least in the five years that I have been there, Treasury Board makes certain directives from time to time and feel that certain ones should be adjusted for financial reasons. I mean, this is an ongoing thing and invariably—I do not know.

* (1500)

Madam Chairperson, these increases are invariably all gazetted. There is a process. We cannot just sneak through and do the increases. There is a process that we have to comply with in terms of letting the public know that these things are happening. So the member is probably—I do not know whether he gets the Gazette or whether

anybody within his caucus, their researchers, look at these things and would make him aware of the things that are going on in an almost year-round basis.

From time to time, as certain fee structures come up, let us say their cycle, then some adjustments are made. So I would suggest that the member possibly, and I alert him to that, that maybe somebody from his research people should be looking at the Gazette, because there are lot of things that governments do, not only my department, other departments as well, that have to be gazetted and properly advertised and notified. He will probably get a lot of the information.

I do not want to give the undertaking that every time, under regulations and stuff like that, there is a change in the fees, I would take and let the members know, for the simple reason that I would have to have somebody constantly doing that. Besides, I do not think that I would be that excited about doing it for political reasons. Every time I send you a notice saying, listen, we have increased the trucking rates by \$3 or whatever on weights and dimensions and things of that nature, then we get into a match every time. I like our relationship much better this way, that the member can dig out what he needs really under the system that is in place, and then we can debate it when the time comes.

Mr. Reid: I noticed that, you know, when I asked for information from the minister about the Port of Churchill and told him that we would congratulate him when he did something good, he said he would get a fuzzy warm feeling if we would congratulate him. I mean, we would like to have the opportunity, if you are doing something positive, to stand up and to recognize that. That is probably one of the reasons why we would like to have that information.

Mr. Driedger: Madam Chairperson, I cannot necessarily see the critics getting a warm and fuzzy feeling with me when we increase rates somewhere along the lines. I could see that more like committing hari-kari by doing that.

So I repeat again, the provisions are there to get the increases as they come forward. I have clarified why we are doing certain things with the Taxicab Board, what the end objective is. That provisions in the bill, and I am prepared—I know the member has not spoken on the bill yet. I would suggest that he maybe consult with the industry, not on an individual basis but with the industry generally. Certainly, the

people that I have working on this to some degree are going to broaden out the participation so that before he speaks maybe he can have some idea as to what exactly is happening with the bill, because he has been raising questions about the bill and why we are doing it.

I would have explained that. Once we get this revised and get down to passing the bill on to committee stage, at that time, we should all have a very good understanding of what we are doing and what is offensive and what is not offensive. I think that would probably assist both the member, the critics and myself certainly.

Mr. Reid: Well, the taxicab industry was quite concerned that when this legislation was introduced they made us aware they had not been consulted on this legislation. That seemed highly unusual. You would think if there was a piece of legislation coming forward, and the minister said it was innocuous, it was not going to create a problem, why he would not consult with the industry and make them aware of it so that they might have some input into the process, maybe provide some insight that may be not readily at the minister's disposal, you know, knowing that the industry has a great deal of experience.

Why would the minister not consult with the industry prior to the bringing forward of this legislation, as they have indicated to us?

Mr. Driedger: Madam Chairperson, I would show the same patience and tolerance with this member as I did for the opposition critic when he raised questions that we had debated extensively between the official critic and myself. I had put on the record here from the Taxicab Board that there were 40 board meetings; there were 19 public meetings; there were 12 in-camera meetings; there were show-cause hearings—I think, 29 dockets where they were dealt with—special meetings, seven. That is just in the last year.

There has been extensive consultation. You know, from 1988 on, there has been ongoing activity where they—and the legislation that we brought forward. You know, everybody says, no consultation. It is for five years that we have been working with the industry that this ultimately culminated in terms of bringing forward some of the legislation where we are addressing some of the concerns they have been bringing forward to the taxicab industry all the time.

In conjunction with that, the fact that we did not want to impose higher fees and regulations on certain aspects of it, we brought forward the legislation so we can expand that to take and address and maybe cost-recover from certain of the less efficient operations where we have to have safety inspections, et cetera, like the ones we have to reinspect, that those people bear part of the costs. You know, it is not half as onerous as everybody is making it out to be. The consultation process, I would want to again and I lift up and show the member a report and recommendations in 1990. It is a document extensive—I do not even know how many pages we have here.

It says Winnipeg taxicab service and regulation. This is all in the process of the last five years that basically—and we come in with something that is not an onerous bill so, you know, I again repeat that if the member wants to talk with the industry and with the group that is starting to sort of review this a little bit somewhere along the line, that by the time he speaks to the bill, and by the time we get it into committee, that everybody should have an understanding of what we are trying to do. That does not mean that I will necessarily be able to accept or want to accept all the changes that are being recommended, but I am certainly prepared to review them.

Mr. Reid: The industry also raised concerns, and I know I questioned the minister on this last Estimates, I believe. The study that was done on the taxicab industry indicated and came back with certain recommendations relating to the industry itself and how certain actions could be done by the minister's department to improve the overall industry.

I know it has been challenged in court a couple of times. There have been ongoing disputes between the Taxicab Board and the industry members and representatives. The judge had ruled on this matter and on the study itself back in 1991 and had made a recommendation, and the judge says: It was only when it became obvious that we could not implement the complete decision did it come back with the severance tack in July '91. To say now that the issue of compensation is of little importance and is not part of the public convenience, the necessity review process leaves me somewhat incredulous. The compensation fund was clearly a significant component—I stress the words "significant component"—of the complete decision, and it would

be unfair to allow the board now to sever its decision and proceed only with the increasing of quotas without having to implement at the same time its compensation recommendations.

Now, I questioned the minister, I think I even did it in writing, why we would go from a level where licences to operate or authorities to operate for taxicabs, the market rate was I think at that time \$38,000, and the minister came and said he could not legally charge any more than \$100. Yet we have a judge's decision here that says, we should be charging the market rate which is the \$38,000 to allow for the establishment of a compensation fund, in other words a benefit package for those that are employed in the industry.

What were the criteria? What were the reasons why we would not accept the judge's recommendations here, a very learned person, and move forward with some kind of a compensation package for those employed in the taxicab industry?

* (1510)

Mr. Driedger: Madam Chairperson, unfortunately I do not have my chairman of the Taxicab Board here, but I would suggest the member is getting into the whole process of what has happened in the last five years in terms of whether there should be necessity to expand beyond the 400 cabs, whether there was a need to get into sort of an elite category in there. The need for it or not need for it is something that was dealt with in the hearings all the time. That is where a lot of the misunderstanding and controversy derived from.

I want to suggest again that ever since we started the process that the industry has done a tremendous job in terms of improving their service, the kind of vehicles we have out there. I think it has been positive already, but the whole purpose of the hearings and process was to see whether there was a need for it. We have, and I repeat again, a regulated industry. We have had 400 cabs in this city for the last 30 years or something like that. There has never been a change, and I think if we want to have a regulated industry that there has to be from time to time some adjustments made, and that is basically what is being done.

I would suggest to the member we can debate this forever, but I would prefer to maybe have this when we get into the committee stage on the bill itself, we will then have a chairman there as well who can answer questions directly. He does not even have

to answer to the minister because, at least my process has been in the past that if I have people there, instead of my trying to give a second-hand answer, I would ask the chairman himself to give the answer directly to the member when we get into the committee stage.

I am not trying to avoid the issue now. We can debate the pros and cons of it, but I feel a lot more comfortable when I have my chairman, basically who has undertaken all these activities and has the rationale for it, to give the member the answer directly.

Mr. Reid: Well, what we are dealing with here, Madam Chairperson, is a study that was done by the department on recommendations that were brought forward by the Taxicab Board study. I hope that the minister was made aware, or possibly had the opportunity to read the recommendations.

I hope the minister is not suggesting for a minute that the members of the taxicab industry would not be favourable to having a compensation plan for those new members coming into the industry, because they are now faced with new competition in the industry taking away some of their passenger traffic, people that they transport, at a higher fare than what they are presently capable of earning themselves. Now the minister appears to say that they would not be in favour of having a compensation plan or a benefit plan to assist them to improve their quality of life.

I am not sure why the minister would make those kinds of comments. That \$38,000 fee that could have been charged to those new vehicles that are put on the road for the luxury cabs and any other licence authorities that the minister may wish to issue in the future I am sure could have gone at least partway towards a benefit plan for these employees.

Mr. Driedger: Madam Chairperson, I am prepared to talk about this for a long time, whether the price should be \$60,000 for a cab when actually the licence is \$100. That is something that the industry has created itself by having a regulated industry. It is like having value on quota. That is basically what has happened, and ultimately the pressures of the system itself raised the price to that, whether it was \$60,000, \$50,000, or \$35,000 or \$25,000. Really the licence is so minute. It is the industry itself that has created the value as to what they thought it was worth.

Many of these people who have basically bought into this system as high as \$60,000 just for a cab licence, you consider that their retirement plan. Any deviation from that all of a sudden becomes me attacking their system. Well, that is not necessarily the case. You cannot have it both ways. You cannot have a regulated system and then have it all your own way.

The whole purpose of having a taxicab industry is to provide a service for the users, and if I play it totally by the way the industry wants to have it played, I am not doing the responsible thing by looking after the users of the industry. So when we want to start debating whether the value should be \$38,000 or whether the value should be \$60,000, or whether there should be any value, that is why we have a Taxicab Board and that is why they have had extensive hearings. That is why they have been in court. That is why they have endless relationships with the industry and with the user and people involved. This has all happened out there.

In fact, I do not know whether I can get that documentation of all the hearings and the process it has gone through. If the member wants to go through that and acquaint himself with the process that we have gone through or whether we want to do it here on an ad hoc basis or whether we want to do it committee when we have the chairman there. To me it is immaterial. I do not think we are serving anybody's time appropriately by trying to debate what already has gone through a process and court cases for a long period of time.

As we move forward with the bill—I mean, it is very seldom in the Estimates process that you extensively debate the bill. I can get the bill back here and we can start doing that, but the normal process we have in this province is that in committee stage, after the philosophical debate has taken place in second reading, we get into the committee on a line-by-line basis where every one of these issues can be addressed extensively on a very personal basis in terms of the information. That is why I raised the question.

My chairman is not here. He certainly will be in committee, I can assure you of that. The last detail that the member wants we will address at that time.

Mr. Reid: The comments that I am making here are not directly related to the bill. If the minister has that impression, I will correct that right now. This was a general discussion. I had moved away from

discussion on the bill some time ago. I was talking with respect to a judgment that was brought down by one of the Manitoba judges.

One of the issues that has been before us was the Tuxedo Taxi fiasco. The things that happened in there cause one to wonder what is happening and who is in control and who is making decisions with respect to this industry. I had concerns here about some of the leniency that was shown by the Taxicab Board towards Mr. Goldberg, who was the owner of Tuxedo Taxi.

Looking at the original licence application, it indicated that Tuxedo's licences should not be conveyed, leased or capitalized in any manner. Yet, the decision by the Taxicab Board, where they were going to allow others to come in and Mr. Goldberg to retain only 10 percent of his original licence with the company, seemed to fly in direct contravention of this legislation or this by-law of the board. Why would the Taxicab Board have allowed that to happen?

Mr. Driedger: Madam Chairperson, when the Taxicab Board started the hearing process a number of years ago to see whether there was a need, because of the pressures coming from the user perspective, from the Winnipeg Chamber of Commerce, from generally the airport industry, pressure was put to see whether the service could be improved. The process was started with public hearings. Ultimately, after much input and controversy, et cetera, the board ultimately, within their jurisdiction, made a decision based on the response that was there that there was a need for an elite cab system which would be regulated by the board as well, which would have a higher rate structure so it would not necessarily create any problems for the existing 400 licence holders.

They went through this process and ultimately took and asked for applications. Those applications were open to the existing industry, to new people wanting to come onstream—asked for proposals. Ultimately, they had a raft of these things to consider and made a decision of the organization, in this particular case Tuxedo Taxi, that they had the best business plan, the best proposal to put forward. They made a decision to proceed with that.

*(1520)

That decision was challenged, went to court, came back out again, was challenged again in court

with the processes taking virtually two years. That has been in and out.

In the meantime, Tuxedo taxicab had started a training process with people and charging them certain fees. The Taxicab Board, at that time, felt that there were some complaints about that. We addressed it, put a certain amount of pressures and conditions on the owner of Tuxedo cab, ultimately asked him to do certain things based on the business plan that he had originally submitted. He failed to comply in that. Notice was served. He was allowed to make certain provisions, because he had some capital already invested in this thing, to try and be fair and to allow new players to assist him in the proposal.

Ultimately they still went broke, and they have been notified by way of letter that their application has been revoked. It is my understanding from the Taxicab Board that they are now proceeding again to try and look for new proposals in terms of dealing with an elite system. The recommendation was basically that there should be 40 units and I think six or eight handivan licences issued. So that process is going back to the board, and they will deal with it again.

Again this is wide open, the existing, whether it is Duffy's, Unicity or Spring Taxi, are at liberty to make application under the same thing, submit a business plan, have the board consider it, and ultimately they make a decision as to who should be getting those licences. That process will start again. I repeat again that it was a series of court actions brought against the board, challenging their right to do that. Ultimately we have overcome those challenges, and it has been at a tremendous cost to government as well as to the industry in terms of fighting this.

The Taxicab Board has their authority and their jurisdictions under which they operate as a board and have certain rights and decisions that they can make, and they did that.

Mr. Reid: Well, there are still a lot of unanswered questions why the board, looking at the original licence proposal—and there was a financing arrangement that was supposed to have been in place that the board had agreed to. Then we find out that Tuxedo Taxi was attempting to finance their operations on the backs of their potential employees, or the ones they had hired and actually never drove a day for the company because no cars

had been purchased, or no cars were operating on the streets of Winnipeg for that company.

Tuxedo Taxi, it has been reported, were charging their 17 people \$3,700 for training. Where was the Taxicab Board in all of this when this was going on? Why were we not investigating or inspecting or making some inquiry into the operations? Do we just accept at face value the application of a company and say, okay, you are free to go and do whatever you choose? If there is a problem, we will come and inspect, and if there is no problem and you get away with whatever, you are free to do it.

Mr. Driedger: I would instantly dismiss every one of my Taxicab Board members if I found that they were running around looking to see whether they could create some problems or looking for trouble.

The purpose of it is that they are there to hear complaints. By and large, when they made the decision based on the business plan that Tuxedo Taxi submitted, they felt that was the best proposal, set out the conditions of the business plan. When they finally realized what was going on there, they served notice, they acted on it, and they have revoked that licence.

The member is saying, well, you know, do they not care, do they not know what is going on. The moment the complaints came forward, they were dealt with.

But if my Taxicab Board is going to start running around and asking each driver, hey, listen, do you have a complaint somewhere along the line, if you do not have one, maybe we can help you think up one, I would be some unhappy with that.

They respond to the complaints, and that is what it is there for. I have put on the record exactly how many complaints, how many hearings I have had. I do not know what the member wants.

Mr. Reid: Well, then what the minister is telling me here is that the only role that the Taxicab Board plays is an administrative function. That is their sole purpose for being, to hear any complaints that may come to them. Is there anyone within the minister's department then who would ensure—[interjection]

I can see the minister is getting somewhat excited about the line of questioning here. I am just looking to try and get some answers here for those who were adversely affected by some of the decisions that were made, and there does not seem to be a mechanism in place to prevent this from happening again.

If the purpose of the Taxicab Board is only to act as a quasi-judicial body in there, to hear complaints that may or may not be brought to their attention, who is out there to protect the members of the taxicab industry if the Taxicab Board does not have that function or role?

Mr. Driedger: Madam Chairperson, I am getting frustrated because I am trying to explain the role of the Taxicab Board. If there was a problem when the Taxicab Board made a decision, the industry itself hired lawyers and challenged them in court. There is provision for these kinds of things.

The member is acting as if the taxicab industry is hanging out there by itself, and here this Taxicab Board is making controversial decisions, and they do not have a say in the matter—foolish. The system is set up to make provision that they can appeal the decisions of the Taxicab Board. There is provision for them to have hearings, show-cause hearings. The system is in place there.

If the member is not happy with that, let him go and read the court cases that brought all these issues forward.

Mr. Reid: Well, for the minister's information, in case he has not been advised of this, the challenges that were in the courts with respect to the Tuxedo Taxi licences never once prohibited or challenged the right of Tuxedo to put the cars on the road. So they could have, from the moment their licence was issued by the Taxicab Board, put those vehicles on the road and had them operating.

Mr. Driedger: And because it was challenged, that is why the Taxicab Board would not allow them to do that. That was their responsibility, making sure that they were protecting the decisions that they had made. It was challenged in court, and they would not allow them to operate.

Mr. Reid: So maybe the minister can tell me then, which part of his department will be there to ensure that a "Tuxedogate" will not happen again that will have a negative impact upon the members of the industry. Who is going to be there to prevent that from happening again?

Mr. Driedger: Madam Chairperson, I should read back into the record the five people that consist of the board, that basically make that decision, with police representation on there, city representation on there, user representation on there and the chairman.

The chairman of the Taxicab Board reports to the minister. I do not have another hierarchy or bureaucracy that is going to run around checking that. If there is a problem out there, it is a quasi-judicial board that is entitled to make decisions. If I do not like the decisions that they make as minister, I replace the board. They basically have their authority that they can operate under. If I do not like the decisions that they make, I go to my colleagues in government and recommend that we remove those people from the board. I have the confidence that the people who are on that board make conscientious decisions which are good for the industry, both the supplier of the service as well as the user of the service.

Mr. Reid: Madam Chairperson, I am disappointed in the minister's answer. I thought something would have been in place to prevent this from happening.

The Taxicab Board had made many rulings dealing with this, and in the end they attempted to go back and have a show-cause hearing. What was the intended purpose of that show-cause hearing that the Taxicab Board was going to have on the Tuxedo Taxi prior to their relinquishing their rights to operate?

Mr. Driedger: Madam Chairperson, the Tuxedo taxicab did not relinquish their authority. It was taken away. It was cancelled by the Taxicab Board because of the fact that they had not complied with the business plan. The member asks why was there a show-cause hearing—for that simple reason, and their licence was cancelled.

Mr. Reid: I am not sure if the minister had more on that point.

What would the minister expect to be a normal period of time after the issuing of licences or authorities to operate these luxury vehicles? What would be considered to be a normal period of time before one in his department would expect that those vehicles would hit the streets and begin their operations?

* (1530)

Mr. Driedger: Madam Chairperson, when the proposals come forward business plans have to be submitted at that time. If the business plan says that within two months the individual is going to have 40 or 20 or 10 whatever kind of units on the road and there is no further complications with them, it has been adopted—what happened when that decision was made to allow Tuxedo taxicab to go ahead,

there was a time as to when they would start implementing their units on the road. Training was supposed to be taking place. It was part of the plan. Ultimately when that decision was made, the legal process started where the decision was challenged in court. As a result of that, they were not allowed to proceed until it had been resolved.

Mr. Reid: So 11 months after the licence was approved, Tuxedo still had the cars on the road, and as long as it was being challenged they would never have the cars on the road. Is that what the minister is saying?

Mr. Driedger: Madam Chairperson, Tuxedo cab never had the cars on the road. Could the member clarify that? He says 11 months after they were issued the licence they still had cars on the road. They never had cars on the road. The reason they did not have the cars on the road is because there was a legal challenge to it. We went through the legal challenge twice. The process in the courts is a long, slow process, and that is why the Taxicab Board would not allow them to proceed until the issue had been dealt with.

Mr. Reid: Using that logic that the minister puts forward here then, any challenge that would have come along in the courts for anything minor even would have prevented them. They would have continued to use that as an excuse for not putting the cars on the road. The industry representatives that had put up a court challenge to other aspects of the issuance of those authorities had nothing to do with Tuxedo Taxi itself. So if they had come forward with even a minor court challenge, is the minister saying that Tuxedo would withhold purchasing of cars and never put cars on the road? Is that what you are saying here?

Mr. Driedger: Madam Chairperson, the member says I am getting frustrated. I am getting frustrated. I have my Capital people here. We have been going on this thing, and I have offered to the member that as we get through and move forward with the bill, all of these issues are going to be dealt with in committee as well when they have the chairman here who can clarify these things better.

I do not know what the member is trying to achieve. I have put all the information that I as the minister responsible have, knowing that the Taxicab Board being a quasi-judicial board has their authority to make certain decisions. If I ultimately do not like the decisions, do not have the confidence

in the board, I can remove them. I mean, we can debate this here for—just like the court case—11 months, I guess, but we are not accomplishing anything.

I have the confidence in my board, in the Taxicab Board, that they are acting responsibly, and I am not going to sit there and look over their shoulder all the time, as the member is suggesting, to have another hierarchy that is going to look—what are they doing now, what are they doing now—I do not have time for that. If I do not have the confidence in their operations, I will change it. But when I do have the confidence then I am not going out there every time to check and watch every one of my boards.

Mr. Reid: I know. I do not disagree that the minister does have confidence in his board. Otherwise, I am sure he would have found other ways to put new people into those jobs, but he is ultimately responsible for the decisions that they make. He has to be. He is the minister responsible. If you are not going to answer the questions on this, the minister knows full well that when we get into debate on Bill 24 and I, as the critic responsible for that bill, attempt to ask questions on Tuxedo Taxi, I am going to be ruled out of order, because it is not relating to the specific issue at hand. So there is no opportunity in there for me to ask questions about Tuxedo Taxi. That is why I am asking them here today.

Mr. Driedger: Madam Chairperson, I have answered them.

Mr. Reid: The minister is wrong again. He is skating around the issue, not answering why the Taxicab Board made the decision that it did to issue these licences to Mr. Goldberg and Tuxedo Taxi. Now we see that they have given 30 days, I believe it is, for others to come forward with a proposal. It seems to me that is a fairly short period of time to allow other proposals to come forward. Was the intent of that to allow those who had already made application to the board prior to the acceptance of Tuxedo, to give them because they already have their proposals prepared, to come forward and have them accept it instead of maybe some new proposals coming forward from within the industry itself or others?

Mr. Driedger: Madam Chairperson, on the first remark first of all, proposals are being asked for. A business plan has to be submitted. Based on that, the Taxicab Board makes a decision. When they

feel that 30 days is adequate, I have the confidence and accept the fact that 30 days is adequate. I have had nobody phone me and say 30 days is not adequate. In the member's mind, the 30 days is not adequate. That is his problem. I feel comfortable, until somebody complains, that the 30 days is adequate.

Mr. Reid: Was it the Department of Education and the supervisor, the Minister of Education (Mrs. Vodrey) or others that would supervise and be directly responsible for Monagovkey [phonetic] have brought forward complaints to the Taxicab Board that initiated this review process of Tuxedo by the Taxicab Board?

Mr. Driedger: Madam Chairperson, I ask the member to repeat that question, please.

Mr. Reid: Since the minister says someone has to come forward with a complaint before they would have any hearings as a quasi-judicial body, who initiated the complaints of Tuxedo Taxi that would cause the board to hold hearings to review the licence that was issued to Tuxedo Taxi?

Mr. Driedger: Madam Chairperson, I do not know. I read into the record exactly how many hearings, how many complaints they had. I am trying to find that page again, and I will repeat it and put it on the record for the third time. I do not know who makes all these complaints. I do not care who makes these complaints, because if there is a complaint the board has the authority and jurisdiction to deal with it.

Here, I will say it again. They had 40 board meetings. They had 19 public meetings. They had 12 in-camera meetings. They had a show-cause hearing, 29 dockets. They had special meetings, seven of them. I do not know who made all the complaints. I will repeat, I do not care, because they have their job to do. If they are not going to do it, then I will deal with the board.

Mr. Reid: I never thought I would see the day where I heard the minister say he did not care. He does not strike me as that type of an individual.

The Taxicab Board was reviewing Tuxedo's licence after this was raised by an I-Team report. Of course, it was through the media. We have seen this in the papers as well. There were some employees of Tuxedo Taxi that had given their own financial resources, some thousands of dollars, for training programs within the Tuxedo Taxi company itself.

What has the Taxicab Board done to allow these employees to recoup the monies that they put forward that were used by Mr. Goldberg to finance his operation? What protection did the Taxicab Board put in place to protect those employees to ensure that they recoup their monies?

* (1540)

Mr. Driedger: Madam Chairperson, in my discussions with the chairman of the Taxicab Board, the board dealt with the area that was within their legal jurisdiction to deal with in terms of protecting the employees. I do not believe they had the authority to deal with the total repayment of the whole—you know, with the total end of it. What was within their decision-making jurisdiction to take and deal with the trainees, that, I have the assurance from the chairman of the Taxicab Board, has been done.

Mr. Reid: It is my understanding, Madam Chairperson, that these employees have not recouped their money. They are still out funds that they put forward for a company that has now folded.

What actions is the minister's department taking, if any, to assist these employees? Has the minister had any discussions with the Minister of Justice (Mr. McCrae)? Is this matter being pursued through the courts? What action is the minister taking?

Mr. Driedger: Madam Chairperson, I mentioned to the member, what is within the jurisdiction of the Taxicab Board to do to try and alleviate the impact on the trainees, that has been done. If they have not totally recovered, there are other avenues that can be done, but from the taxicab perspective, everything that could be done has been done for the trainees.

Mr. Reid: The minister says that there are other avenues available. Since it appears that he is unaware that these employees have not recovered all of their monies, what other avenues are available to them? What assistance will his department provide?

Mr. Driedger: Madam Chairperson, I will not provide any. I mean, there are legal ways of recovering if you have made a mistake. The portion that is the responsibility of the Taxicab Board has been done. I am not going to go out there and compensate from my department the individuals who made investments, whether good, bad or otherwise.

The legal responsibility of the board has been dealt with the way they should, and I am comfortable with that.

Mr. Reid: I will remind the minister again, and I am not doing this to get his blood pressure up because it appears that that is happening here, but this is very serious for those employees that wanted to have these jobs. They put their good faith forward and displayed a loyalty to the company even before they had cars on the road.

Now the minister appears here that he says he is not concerned that his Taxicab Board, who made the ruling that initially gave authorities for this company to start its operations, is washing their hands of the whole mess.

The Taxicab Board gave the authority to Frank Goldberg and Tuxedo Taxi to put luxury cabs on the road. They have a responsibility to ensure that that happens, and they did not fulfill their mandate there. We are doing nothing now to assist these employees who have lost that job opportunity and instead lost as a result of their good faith.

The minister, he washes his hands of the whole mess, or he says his Taxicab Board is not responsible for what happens; they are only a quasi-judicial body. Well, who is there to help them? The Minister of Justice (Mr. McCrae) has been sitting on this now. Has he come forward with any kind of a report saying that the Justice department is taking steps to recover the monies on behalf of the employees, or are we going to leave these people out there that are unemployed, have no financial means at their disposal to try and recover these monies on their own?

You cannot tell me that this a caring, concerned government if you are not going to take steps to protect those people that have been taken advantage of by an unscrupulous business person. [interjection] Well, he is definitely not displaying it here today.

What consultation has the Minister of Highways had with his colleague the Minister of Justice? What action is being pursued through the courts, or does he not care about that as well?

Mr. Driedger: Madam Chairperson, it is not my responsibility to do that. The Taxicab Board is my responsibility. They have done what they had to do, what they could do, including yanking the licence from the individual. There are other courses of action that the individuals can take, but certainly it

is not my jurisdiction to get out there and start taking up issues that could be a labour issue or a justice issue.

That is why we have different departments. I am not responsible for the Minister of Natural Resources (Mr. Enns) if something goes wrong in his department. I am responsible for what happens in my department. If there is something wrong that the Taxicab Board is not doing, I will deal with it.

They have assured me that they have dealt with it to the furthest extent possible within their jurisdiction with that issue. I can repeat that all day. It is not going to change anything, so the member can keep asking that question.

Mr. Reid: Well, I can say, Madam Chairperson, with all honesty, that I have never in my short time here, my two and a half or three years here, ever seen this minister take that type of an attitude about any portion of his department. Quite frankly, that concerns me. That shocks me that he would take that type of an attitude and have that position.

He needs, I think, to look at the reality of what is happening to these people. You would think that he would have some concern, some compassion, some understanding for the plight of these people, and he is totally ignoring that. I do not know—I mean, I have looked at the decisions that were made by the Taxicab Board through their hearings, looking at copies of their minutes. In some cases, I am very shocked at the decisions that they have made. Then they go and they have their secret meetings and work out secret deals behind closed doors that no other member or the public has the opportunity to take part in. It leads one to wonder what purpose or what role or what actions the Taxicab Board was attempting to accomplish and whose mandate they were attempting to fill.

Is it because maybe Mr. Goldberg may have been friends of the Premier that he chose to move in this direction? Is the minister getting heat from his own Premier?

Mr. Driedger: Madam Chairperson, I just want the record to show that the member for Transcona (Mr. Reid) has just accused the chief police constable of the police force of the City of Winnipeg, who is on that board, for pulling secret deals, that he is not acting in the proper interests—you know, under that responsibility—that the member of the City Council of Winnipeg is also a member on that council, that they are all irresponsible, that they are making

secret deals, that Mr. Michael Hill is making secret deals, that the chairman, Mr. Don Norquay is making secret deals, and the member from the industry, Mr. Surinder Sanan, is making secret deals. I want that on the record, that that member has accused all of these people of dealing secretly behind the backs to try and show favouritism.

Mr. Reid: Indeed, the member is playing politics now, the minister is. It is obvious that the minister is very sensitive about this. He obviously relied quite heavily on the Taxicab Board in looking at the decisions that were made. The minister obviously feels sensitive about those decisions and is attempting to put the best face on a bad situation here.

The minister, he says that I have accused people of doing secret deals behind closed doors. The minister says that members of the City Council sit on these boards, and yet I have a copy of a letter in my possession saying that members of City Council do not attend those boards. There is some concern that they do not attend these boards, and they have asked them to attend. So there is no way that I am accusing members of City Council for doing secret deals behind closed doors.

Now, can the minister explain why members of his Taxicab Board would, on this issue in particular because we are talking about it here, go behind closed doors to discuss how they are going to work out the arrangements for Tuxedo?

Madam Chairperson: Shall item 7.(d)(2) Other Expenditures pass?

Mr. Reid: I did ask the minister a question. Maybe he was not listening to what was taking place. Maybe he was being distracted by his colleague the minister for Seniors (Mr. Ducharme). That is unfortunate he would be distracted by that.

Point of Order

Hon. Gerald Ducharme (Minister of Government Services): Now that I have the floor, can I keep the floor for awhile? No one is baiting the member. The member is not pleased with maybe some of the answers that the minister is giving him, but he has given him very clear, concise answers. He seems to be upset, so do not try to bring someone else into the discussion.

Madam Chairperson: Order, please. The honourable Minister of Government Services does

not have a point of order. It is a dispute over the facts.

* * *

* (1550)

Madam Chairperson: Shall item 7.(d)(2) Other Expenditures pass?

Mr. Reid: Can the minister indicate the number of inspections? Does he have statistics on the number of inspections and complaints that are brought forward to the Taxicab Board?

Mr. Driedger: Madam Chairperson, I want to sort of try and get more information on the thing because the member says I am not putting enough on there, so I will do that now. Taxicab driver training courses, day courses, three days each; we had three of those. We had evening courses—this is driver training courses—six evenings each; we had three of those. We had day courses that last four days; we had five of those. Business licences issued 766. Standard taxicab business licences at 454; that includes the additional ones and the handicap vans. Standard taxicab seasonal business licences, 51. That is, I think, the extra cabs that are allowed to be put on during the Christmas season, holiday season.

Handicap van business licences is 83. Limousine business licences, we have 37. Booking office licences, 141. Taxicab driver licences issued is 1,682. Taxicab driver licences issued, new applicants, 96. Taxicab inspections, semiannual vehicle and meter inspections, 1,022. Inspection while on patrol, 1,203. Inspections carried out at the office is 457. Complaints, we have had 198 complaints—incidentally, this is all on the record already, but we will put it on again. Resolved were 54 of the complaints; under investigation are 15; insufficient information to proceed is 11; turned over to the Winnipeg Police is 11; and verbal only where no written follow-up was required was 107.

Does that answer the question, Madam Chairperson?

Mr. Reid: Yes, that does answer the question. I thank the minister for that information.

When discipline procedures are necessary or required after inspections, what procedure is followed by the department by the Taxicab Board with respect to discipline procedures? Do they have an open hearing of the board itself, or is there some other face-to-face type of meeting that takes

place between members of the industry and Taxicab Board?

Mr. Driedger: Madam Chairperson, the Taxicab Board has a show-cause hearing and they have the authority to suspend, to cancel and to fine in certain areas.

Mr. Reid: I thank the minister for that information, but where there are inspections by the inspectors of the Taxicab Board either by complaints that are brought to their attention or by the inspectors finding problems that will not be rectified by members operating the vehicles, by people that own the vehicles or operate them, do we have to have a show-cause hearing for that type of infraction or is it some more informal process that takes place?

Mr. Driedger: Madam Chairperson, where there is a complaint coming in, the board has authority to take and pull a vehicle off the road. They can suspend a vehicle. They can suspend drivers. We have talked about this before in terms of where under the legislation there are going to be some changes made there that will allow where they can take and suspend the driver, because sometimes you have three or four drivers that are involved, so if you suspend the vehicle, it is a pretty harsh judgment in many cases. So our legislation that is coming forward will address some portion of that so that you do not necessarily put a whole bunch of people financially at a disadvantage while you are trying to deal with some individual who has probably not complied.

Mr. Reid: It is my understanding that the cab board has an advisory subcommittee, if I can call it that. Can the minister tell me what role and function the subcommittee is supposed to perform? What is its mandate? Is it to advise the Taxicab Board members or do they have some other role?

Mr. Driedger: Basically to offer advice and make recommendations to the board who ultimately, the Taxicab Board, still makes the final decisions on that, but to get a perspective from the industry itself so that is the role that they are playing.

Mr. Reid: Does the minister have any information on the make-up of the Advisory Committee, the members that are there? Are they the members of the Taxicab Board? Is it members of the industry or the taxicab companies? Who are the members of that subcommittee?

Mr. Driedger: My understanding, Madam Chairperson, is that they are from the industry as

well as from the users. I do not have the names here of the people who are on there, but the intention was to have the users as well as the suppliers of the service to be represented on there.

Mr. Reid: Does the minister have any idea when the last time was that subcommittee met to provide recommendations or advice to the Taxicab Board?

Mr. Driedger: No, Madam Chairperson, I do not. I do not know when they met.

Mr. Reid: It is my understanding, and I have no way of confirming this, that is why I am asking the minister, that subcommittee has not met for some time, and that if they are supposed to act in an advisory capacity, one would think that they should meet with the Taxicab Board and provide advice in some direction. Is it possible for the minister to consult with his chair of the Taxicab Board to find out if indeed they have not met for a long time, why they have not met, and when we can anticipate that the subcommittee would meet to involve all of the participants on the subcommittee?

Mr. Driedger: Madam Chairperson, I will raise those questions with the chairman of the Taxicab Board.

Mr. Reid: I thank the minister for that. Just one last question on the minister's legislation. I know I would have the opportunity later to ask it, for the sake of time saving on the committee.

The legislation itself, has there been—because there is some concern there that this type of legislation will prevent in the future any court challenges to any of the decisions. I know the minister gets upset when I ask that, but that is one of the concerns that is out in the industry there now. If there is something that the minister can do to allay those fears by members of the industry that this will not prevent challenges on any of the—not the ruling so much, because if the board is allowed to do it by law or by jurisdiction that the minister provides through legislation, then it cannot be challenged.

If there are sanctions that are imposed that may be deemed to be unfair by members of the industry, what appeal mechanism is there other than the courts that will allow those types of sanctions or rulings of sanctions to be appealed against? Who would then be the appeal level? Would it be the minister himself, since the courts could possibly be ruled out?

Mr. Driedger: Madam Chairperson, when I brought forward the legislation, I had the

spreadsheets in there, which basically were supposed to take and address the concerns and, basically, it should indicate in there that we are not taking away the right to appeal to the courts. There is a dual application, which always takes time, and we are saying we are alleviating some of that to take and save the industry money.

They still have the right to appeal to the courts on any decision. That is not being removed.

Mr. Reid: Then if they have the right to appeal to the courts, does that right to appeal to the courts include any sanctions or penalties that the Taxicab Board may impose upon members or owners within the taxicab industry? Does that give them that right as well?

* (1600)

Mr. Driedger: Madam Chairperson, I do not have my bill or the spreadsheets here. I will undertake to get the answer to that question and I will provide it later on. You know, I do not have that information right here in terms of the technicality, in terms of how that works, so I will get that information to the member.

Mr. Reid: Just a couple of last questions on this section. I believe there was a change in the chief inspectors for the Taxicab Board. The original inspector I think was Mr. Ford, if I am correct, has been replaced. Can the minister tell me who has taken Mr. Ford's place and the reason for the change?

Mr. Driedger: Madam Chairperson, no, I do not have the names of that. Whether it is the taxicab inspectors or whether it is my compliance officers in the field, I have all kinds of people. I do not know all of the people I have there. If there is a concern about who the inspectors are, I will undertake to get that information. I do not have that here.

Mr. Reid: I thank the minister for that. That concludes my questions on this section.

Madam Chairperson: Item 7.(d)(2) Other Expenditures \$87,100—pass.

Resolution 15.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,590,300 for Highways and Transportation, Boards and Committees for the fiscal year ending the 31st day of March 1994—pass.

8. Expenditures Related to Capital (a) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects.

Mr. Clif Evans (Interlake): Madam Chairperson, I would just like to ask a few questions of the minister with response to some of the roads and highways within my constituency. I know that since I have been elected, the minister has—and I must say has co-operated with me on some of the problems that we have been facing on many of our roads in the Interlake, and there are problems in other rural areas that I have travelled over the past two and a half years. Certainly the Interlake is not the only area that we see roads losing any sort of expansion or maintenance or construction.

First of all, I would just like to make a comment, Madam Chairperson, with regard to the minister's response and my colleague's support in dealing with the Riverton Boat Works. I know this is not under this section. I just want to make a comment to the minister, that reading through Hansard, I appreciate his responses to the questions.

An Honourable Member: You are saying he is a good minister.

Mr. Clif Evans: I am saying that he possibly could be a very good minister if he would listen to some of us here. I do want to say that I appreciate that and thank my colleague for asking the questions as I was in my constituency at the time. We are dealing with the federal people. I would like to ask the minister if I could, if he has at any time—this is the only question I will ask about it—talked to the Member of Parliament David Bjornson with regard to the Riverton Boat Works.

Mr. Driedger: Madam Chairperson, in all honesty, not lately. Early on there were some discussions but I cannot recall when the last conversation was with him on that matter. It has basically been my department that has been dealing with the issue and will continue to do so. If we can get the assistance of some of the federal members I am certainly going to do it.

Mr. Clif Evans: Thank you, Mr. Minister. I have spoken to him just within weeks and I would like to sit down with you on a one-to-one and discuss what we discussed and what our plans are for Riverton Boat Works in the very near future.

First, on my list of concerns, some two years ago we came to the minister with regard to the intersection of Highway 6 and Highway 239 for expansion and construction of turning lanes. The minister had indicated by letter that something was

going to be put into the '92-93, I believe, budget. I would like to know where that is at.

Mr. Driedger: Madam Chairperson, I just want to ask the indulgence of the member that when we get to specifics, you know, questions of that nature, it will take us just a little bit of time to try and get the full answer. We have so many roads and issues out there, and I have my staff here.

Madam Chairperson, the highway that the member makes reference to I believe is the Steep Rock turnoff, and it is part of the considerations that I am going through at the present time.

Maybe I should inform the member—maybe he was not here when we started off when I said that the program for this year, we have not finalized it in terms of getting approval from my colleagues. Basically, the program that we will be giving approval to this spring is going to be mostly construction for next year.

I think the project is ready to go. It could be pretty well ready to go. It is one of the many projects that we are looking at in terms of whether we give final approval to the job itself. That decision has not been made at this time yet.

Mr. Clif Evans: I am aware that the programs have not been made available in talking to my colleague in regard to this. The problem I have with that is I am getting quite a few calls from within my constituency from constituents and councils as to what is on the program and where are we at with a lot of the roads that we have been requesting. I hope it does come out very soon so we can deal with some of these things.

* (1610)

I do hope that part of construction is going to be on the program. As the minister may or may not be aware, the Steep Rock beach development has been in full swing, and the traffic there is increasing on a steady basis. He is aware—I know I have made him aware and the same with my colleague from Transcona who has made the minister aware of the situation at that intersection, as I will use for all the situations in my constituency, that it becomes a big safety factor when you are talking about the type of traffic that is travelling down that road.

I can indicate to the minister, in the last two weeks alone, I have been up to the Gypsumville area three or four times and passed that intersection, and with truck traffic down Highway 6 and the people trying to get off and onto that road, someone I hope is not

going to get hurt on that intersection, and I would hope that the minister's plans for this intersection are on the program and that they deal with it accordingly.

Another, I suppose, situation that I have within the Interlake is the construction request for construction of a new, I believe it is, 10 miles. I know the minister and I have discussed this, too, another 325 from Highway 17 across and meeting with 233—sorry, Highway 325, a new portion of Highway 325 from Highway 17 just south of Hodgson, north of Fisher Branch and across to Highway 325.

Mr. Driedger: That is a distance of 16.4 kilometres. We had that in for acquisition of right-of-way for last year, and we have not completed the acquisition of right-of-way.

Mr. Cliff Evans: If the minister could just explain, is there a problem for the acquisition of right-of-way with landowners or is it a matter of timing, is it a matter of finances?

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

Mr. Driedger: Not that I am aware of. Let me just explain to the member that when we prioritize a project, the first thing of course that we do is the survey design to see exactly the type of road that we make and how many requirements we will have for land.

Once we have done that, then we make an application for an environmental licence which we have to do now in every one of our projects virtually. Then the next step is the acquisition of right-of-way, and once you have approval in here—but we have an awful lot of projects where we do have acquisition of right-of-way. Once we have the right-of-way, then basically the project is then ready to be tendered subject to the funding available.

You know I do not like this to happen—let us say 20 or 30 landowners along a strip of where we require a right-of-way—when Land Acquisition, which is under the jurisdiction of my colleague from Government Services, goes out to do the acquisition, the majority of the people invariably settle because, you know, I think Land Acquisition by and large tries to be relatively fair in establishing fair prices, but invariably it does happen that you always have one or two who feel that their land is worth more than the neighbours, and if negotiations fail to complete it at that time, then we take and proceed with expropriation.

There is a reason why I am explaining this to the member because people feel sometimes very offended when we do expropriation. If we cannot come to an agreement, it gives us the right to enter then. It does not mean that the person is forced for any settlement.

Many of them then have the recourse and feel they will take the government to court and fight it in court. They then go and hire a lawyer—and this is no reflection to the individual sitting in front of you, but invariably, by the time the smoke clears, those kinds of people probably are the big benefactors and not necessarily the landowners.

I would like to put on record and make a recommendation that in cases where we have expropriated, where people have not been able to accept what the Government Services Land Acquisition people have offered, they should make an application to the Land Value Appraisal Commission, which is a board that has been appointed under Government Services. They are basically lay people who then do an adjudication.

Invariably, regardless of what Government Services or what the Land Acquisition people say, they usually come up with a pretty reasonable kind of solution. The individuals make application, can appear before them, plead their case, and it is a lot less costly than trying to do it with a lawyer in front of a judge.

So I promote very strongly the idea of people, where we have expropriated, making application to the Land Value Appraisal Commission to have their dispute resolved there. Failing that, once the Land Value Appraisal Commission makes a decision, it is binding on government, but it is still not that binding on the individual who has made the application. That individual still has the right then to go to court after the Land Value Appraisal Commission has dealt with it and they are still not happy. I suggest this kind of course of action, which I think in many cases would probably be more beneficial to the landowner whose land we have expropriated. We keep some of the fat-cat lawyers from gaining that additional funding there which basically should accrue to the landowner.

Further to that, I just have additional information. We are just waiting for the environmental licence on the new alignment on there, on the 325. Invariably, I want to again explain that the process has slowed down dramatically for the Department of Highways

and Transportation in terms of road construction, because we had to go through the environmental process especially under new alignments.

If it is just basically reconstruction, it is not that dramatic. But when we do any changes at all, there might be a crocus patch or there might be a bird's nest or something like that that we would be affecting, so we have to be very sensitive about that, and it takes a certain amount of time. We want to address those things, so that very often takes a lot more time.

Mr. Cliff Evans: We do not want to upset certain ministers that we have here who are very, very touchy when it comes to nests and crocus plants, when it comes to construction of roads.

If the minister could just then—I have listened to what he said, and I appreciate that—what I would like to hear from him is that 325, this new construction whenever it is to be, is in the works and it is a go on it totally. There is not going to be anything that is going to stop this once the environmental licence is through, and you will be moving with it.

Mr. Driedger: Mr. Acting Chairperson, I just wanted to make sure that I got the question right from the member. Construction will not take place on 325 this year. It is for the simple reason, as I mentioned before—we are talking 325—we still have not got the environmental licence. It has been on for acquisition of right-of-way for a number of years. Once we have the environmental clearance on that, and have the land bought, then it is ready for construction.

Mr. Cliff Evans: I did not say if it is going to be this year. I said, is it a go once the whole process has been completed, and when do you expect it to be a go?

Mr. Driedger: Mr. Acting Chairperson, staff tell me that right now we are proposing construction for the year of 1995, in that year, subject to the money coming into place, but that is sort of the target date for having everything into place. The member must also understand that, by and large, what we have proved this year—and I repeat again—is next year's construction. So we are actually always two years behind. Ultimately, if everything unfolds as it should environmentally, and acquisition it right away, then the member can come and pressure myself or whoever is going to be having the responsibility to try and move that forward.

Mr. Cliff Evans: I would just like to pass the microphone on to my colleague from Thompson for a question, but just on what the minister said, I hope that and it certainly would be nice if by the time 325 was completed that I would have the pleasure of being there to cut the ribbon.

I would appreciate if the honourable member for Thompson has a question for the minister if it is okay.

* (1620)

Mr. Steve Ashton (Thompson): Mr. Acting Chairperson, in fact, I do have to leave shortly to go to Thompson, not this time by road actually. I came down by road last weekend, and I will be coming down on Monday by road, so I am sure I will be able to update the minister on the condition of Highway 6 when I next come back, perhaps even for Estimates on Monday. But I am not asking about Highway 6. Currently, there are some stretches that certainly do need some major overhaul. That is a standard thing on Highway 6 that has been accepted, I think, over the years because of the permafrost, particularly in the northern stretches leading into Ponton and from Ponton to Wabowden.

There are a couple of issues I want to raise. If I could, I would like to just raise them and I may have to read the minister's comments in Hansard. I mean no disrespect by that, but I have a couple of issues that I would just like to raise.

One is in terms of communities in my constituency that do not have any roads, period, just winter roads, all of which except one of the four communities are on the bayline which may be impacted by some of the changes going on in terms of the recommendations of the rail service, recommendations that were brought down just recently, changes in the federal budget, the VIA Rail cutbacks, the situation at the Port of Churchill. Needless to say, the people in Ilford, Thicket Portage and Pikwitonei are concerned. On the one hand, they do not have an all-weather road. On the other hand, they may lose their all-weather contact, the rail service.

So one of the questions that I would like to ask, and if the minister could respond afterwards, is what plans, if any, there are to put all-weather roads into those communities. I have raised this matter before in the case of Thicket Portage and Pikwitonei. Repap has been active in the area and has brought roads much closer into the communities. I would

like to ask what the plans are in terms of that, and pointing out that, for example, line power will be going into those communities fairly shortly in the case of Thicket Portage and Pikwitonei. So there are going to be some developments of that nature, and all-weather road access is another concern.

York Landing, while not on the bayline, also does not have an all-weather road. York Landing is in a situation where it has only scheduled air service, the ferry during the summer or the winter road during the winter. One of the ongoing concerns, again, in that community—and I was just in on the winter road just over a couple of months ago—is as to whether there are any plans for all-weather road access into that community and given the proximity of Ilford, obviously, the question would arise as to whether there would be the tying of both communities, of any plan for an all-weather road in the future.

Another issue I wanted to raise, and I have raised it before, and I am sure I will be raising it again, and it is in regard to 391 north of Thompson, the stretch to Nelson House in particular. I travel that road on a regular basis as well. I know some work has been done south of Leaf Rapids.

One of the concerns that has developed is with the boreas [phonetic] project. The minister suggests that this is the reason there might not be construction or other activities on that section of the highway. I would point out that the boreas project just wrote to the local newspaper just a matter of a couple of weeks ago indicating that they feel very unfortunate that they might be standing in the way of having that highway paved. They pointed out that there was a suggestion that their activities would not on an ongoing basis prevent construction, particularly the more southerly stretches.

I would just like to point out to the minister, in the case of both this and the Gillam road, as I still refer to it, even in areas where there has been construction, grading, et cetera, there are problems. Last year, for example, one weekend five cars went in the ditch on one particular stretch of 391 just north of the turnoff for Gillam. I have seen the condition of that road, and it was upgraded a number of years ago, but the problem is, because of the type of terrain, the weather conditions we face and also the fact that it gets probably more traffic than people realize in that particular area, including some fairly heavy traffic, it often is a difficult situation, particularly this time of year.

In fact, if the minister, and I know the minister has offered to come up on that highway, if he wants to come up I would suggest one of these weekends I will drive him up and we will go in over the next couple of months.

An Honourable Member: Leave him up there.

Mr. Ashton: The Liberal critic says, leave him up there. I know some of my constituents would love to tour him around the northern highways, but what I would suggest is that the concerns are very legitimate.

I know the people at Nelson House in particular are very concerned about the condition of the highway, and I know the minister has raised this concern to the boreas project. They have said themselves that their major concern is health and safety through the road access, although they are obviously dealing with boreas project as well.

What I am asking for is some sort of long-term sense from the minister—I will not say long-term—if it is not the next few months, I am talking sometime in the future, in the near future, some commitment that there is going to be some significant improvement of that stretch of the highway.

I have said before, the minister and the department has done work on various stretches of 391 and has done work this year south of Leaf Rapids, but I must admit I was a bit disappointed when the departmental budget was cut, part of which was taking the money that was coming from the federal-provincial agreement for the major highways in southern Manitoba, that that was not used as I suggested and I think as the member for The Pas (Mr. Lathlin) suggested, to put it into northern roads, because I think there are some significant needs.

So what I am asking for just briefly then is the situation in terms of those communities without all-weather roads and also if there is any long-term planning in terms of Highway 391 itself and also the Gillam road—I can never remember the new numbering system on it; most people in the North still call it the Gillam road. Usually you cannot see the sign anyway with all the mud from the road itself.

So I would appreciate whatever information the minister could give on those particular roads.

Mr. Driedger: Mr. Acting Chairperson, first of all, the member put a variety of things on the record here. I want to address the VIA Rail aspect first, realizing that there has been a \$50-million deduction

in the subsidy to VIA Rail and knowing the scrutiny that VIA will come under in terms of providing transportation services to outlying communities, we are monitoring it very extensively. We want to find out exactly what impact it will have, realizing that, as the member stated, certain communities are very dependent on that.

The member made reference to a variety of roads. I think actually we have extensive work that is being undertaken on 391. We have 36 kilometres that basically will be asphalted in the coming year. The contract has been let at the present time. My understanding is Smook Brothers from Thompson are the ones that have that contract on 391, the 36 kilometres.

The other thing is on Highway 39, which is from Ponten going west, we have a grade and gravel job. That is probably one of the worst stretches of highway that we have out in the North because of the variations in there. I personally have not driven it with a camper. I nearly lost my wife and camper one year going down there because of the fluctuations there so we have a major grading job in there.

We try and distribute our work throughout the province in such a way that all our districts have a certain amount of work, and we try and distribute it as well between grading and paving, et cetera. So, as we have done in the past, we will continue to work on stages on the highway.

The member says he will probably read on the record what my comments are. Well, we had a delegation in from Chief Alan Ross from Norway House and some of his people. He said that Highway 6 was just one beautiful highway. Unless everybody always talks negatively—but he was comparing it to 373. I take comfort in that he says No. 6 is a very good highway. I want to take comfort in that respect.

Funds, of course, play one portion of the decision-making role. The other is the condition of the road. We will be doing some road work on 373 at Jenpeg where we are reconstructing a portion to move it off the dike for safety reasons.

* (1630)

The member for the Interlake (Mr. Clif Evans) made reference to safety on the intersection of Nos. 6 and 39. That, of course, is the biggest priority, the safety factor, in many of our decisions. Staff is very conscientious in terms of we monitor the accidents

very closely. Where we have bad intersections, we try and address that. Where we have bad roads, we try and address that. So as we make the decisions in terms of which road shall we prioritize, that plays a big factor into it.

Mr. Clif Evans: When the minister talks about safety and the roads that are in need and whatnot, he has had resolutions, petitions, letters requesting that his department do something about Highway 234 from Beaver Creek to Matheson Island for many, many years.

I want to say to the minister that I know he is aware of that road. I was up to Matheson Island-Pine Dock just less than a month ago. I want to tell that the amount of traffic that is on that road, not only through the summer, from the Matheson Island-Pine Dock communities and the Bloodvein communities, but during the winter when the winter road is in across the lake, that it is disgraceful. I find it very disgraceful to have to travel on a highway in Manitoba at 30 kilometres an hour because of the hazardous conditions and the rocks sticking out of the road, the curves in the road, the nonmaintenance of the road.

The minister must be made aware of this to the point that the people who come to my community in Riverton, who are daily visitors coming through, every time these people from Pine Dock, Matheson Island, Bloodvein come to Riverton they are screaming. It does not matter what time of the year. They are screaming about the condition of 234. It has been for years. They have requested meetings.

I have been with Pine Dock and Matheson Island. They are putting together another resolution. They are putting together another request to meet with the minister. I am putting on record now, when the letters do come to me I will be requesting the minister to meet with this group and myself included. I would want the minister to take this road, along with others, but this road and all the roads very, very seriously. This is a serious condition, seriously depleted condition road in the last five or six years. It has to be addressed. What is the minister going to do about it?

Mr. Driedger: Mr. Acting Chairperson, I am well aware of the road that the member is talking about, 234 towards Beaver Creek, Calders Dock. In fact, this is part of our winter road system where we come

back at Dock Crossing—major semis drifting down there.

I have on occasion, for personal reasons, been down in that area from time to time, being an outdoorsman. I have no qualms about admitting it is definitely a problem highway that we have, and safety is a matter of concern with the curves that are on there. We are moving ahead, maybe not as fast as certainly I would like to do.

To bring the member up to date, the whole distance is a matter of 53 kilometres which is a substantial distance, for 25.6 kilometres of the distance and the acquisition of right-of-way—which we basically are buying the right-of-way for 25.6 kilometres of that.

An Honourable Member: How many years have you been buying it so far?

Mr. Driedger: I do not know. This is in my most recent green book here.

For the 27.4 kilometres we are doing the survey and design. If the member says that the people from the area want to come and see my office and discuss it, I have no problems doing that. Anytime, if they phone we will try and set up a meeting so that it suits them and ourselves. I realize the importance of the road. I realize the condition of the road, and we would take and proceed on it as best we can.

Mr. Ben Sveinson (La Verendrye): Mr. Acting Chairperson, I just have a short question. It is on two particular areas. One is the 405 that has been under discussion for a considerable length of time, mainly with the municipalities, the people of the area and so on that the department has been holding discussions with.

What I would like to know is the status of 405. What is happening with it right now? On top of that I would like to also know the status indeed of the lights that were noted to be coming I believe this summer at Deacon's Corner and possibly a few words on No. 1 Highway as to what is going to be happening in that area.

Mr. Driedger: Mr. Acting Chairperson, for the member for La Verendrye, he raised a question of Highway 405 which is the one going through Ile des Chenes to Lorette, and just for the record, I want to indicate that initially a plan had been designed which was then not acceptable to the people in the area. As a result, staff have gone back, and we have raised it with our regional office to have the location

plan put in place. From staff my understanding is that that has not been completed.

I want to assure the member that we will put every effort into it to see the location plan being completed. My understanding is that the regional office will be meeting with both Lorette and Ile des Chenes in the next little while—I understand they had met with Lorette and they would be meeting with Ile des Chenes. So once we have some of the technical difficulties and location plan finalized to the satisfaction of the people, we will immediately proceed with the acquisition of right-of-way so that we can get that program forward.

I used to represent that area, I have personal feelings about getting that—I think I made a commitment years ago that it would be done, so I understand the member's concern, and we will move forward with it as fast as we can.

The other question that the member raised as to the signalization on the No. 1 Highway and 207, this was approved last year. My understanding is that the work will be undertaken this summer, that we have the necessary equipment, it has been purchased, and that it should be a go situation. In conjunction with the signalization of that corner, we also have some turning improvements at that time. So that is all slated to happen.

* (1640)

Mr. Acting Chairperson, I just wanted to complete my answer on what is happening on the Trans-Canada East, and I want to clarify for all members that at the time when we anticipated that a National Highways Program would be announced on December 2 by the Minister of Finance federally, this did not happen. As a result of that, extensive negotiations have taken place between the province and the federal government. Ultimately, on the 31st of December myself and the federal minister, Jake Epp, had made an announcement that we would have a cost-share program of \$70 million—\$35 million feds, \$35 million province—and had identified certain specific projects which the federal government maintained that they wanted the authority to decide which projects.

Many questions have been raised by the member for Thompson (Mr. Ashton) and others as to why, under the cost-shared arrangement, certain roads were not included. What we did, we submitted the approximately \$250 million worth of projects to the federal government to look at because they wanted

to choose which ones were going to be undertaken jointly.

Ultimately, it was narrowed down to \$70 million worth of projects. All of the projects we have announced, in the press release that we put out, deal with what we classify or consider the National Highways Program, basically No. 1, 75 and 16, plus the northeast Perimeter. The Highway No. 1 East, the repaving of those both lanes, which have been deteriorating quite extensively, is taking place this summer. That is one of the first ones.

Now we need to—in fact the tender is closed today, and I can inform the member that I think Borland Construction was the successful bidder. So that is a massive undertaking, and I am pleased that we can proceed with that.

Part of the problem that we face is that where we have the joint programs with the federal government that we need not only provincial environmental approval but also federal.

Hon. James Downey (Minister of Energy and Mines): I think he is filibustering his own Estimates here.

Mr. Driedger: No, I have been trying to move them as fast as I can, but we spent almost two hours on the taxicab business in order to reason why—

Mr. Sveinson: Mr. Acting Chairperson, I would just like to thank the minister and his department for the fast and efficient work, and indeed, it does happen, or has happened in my constituency and I am very appreciative. Thank you.

Hon. Clayton Manness (Minister of Finance): Finally, somebody can say thank you in this House.

Mr. Cliff Evans: Mr. Acting Chairperson, I just want to make a point to the Minister of Finance (Mr. Manness) that I, too, have shown my appreciation to the Minister of Highways (Mr. Driedger) this afternoon. So let us get that straight.

I would like to continue with 234. I believe in discussing this road with the two communities out there—the minister is saying about acquisition of property, acquisition of land. Can the minister indicate to me whether—most of that land is Crown land, so what is the problem to acquire Crown land? Are we going to be bucking the Minister of Natural Resources (Mr. Enns)? Are we going to be dealing with the Minister of Natural Resources on this? Do we have to go to battle with the Minister of Natural

Resources also on this? [interjection] Yes, we have already got 2,200 of it, what do we need more for?

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

Mr. Driedger: Mr. Acting Chairperson, the member says, well, how difficult is it to get land from the Department of Natural Resources, Crown lands? We still have to file the plan, get the environmental permits. I mean, it is part of the process. Just because the government owns it does not mean that we still do not have to acquire that as part of the highway system, and in some cases it is faster, in some cases it is slower.

I mean, we are moving along in the various stages on this road, and the member should feel encouraged that we have it to the point where we are doing acquisition and doing design on the balance of it. When we talk of acquisition, that means we have already done the survey design. We know what we need. So that is the first stage of it. I can tell the member that there is not going to be 53 kilometres of road built at one crack. It will be done in stages, obviously, and once we have the right-of-way, then we are in a position to start doing the grading.

I know that the people out there, once we start on it, that it is a commitment for ongoing construction, that it will be done maybe not quite as fast as they would have liked to see. But I expressed my concern about the safety end of it, having driven on that road, knowing the many complaints they get from the guys who are coming down there with semis on the winter roads and know the concern that is out there. So we are moving in that direction as fast as we can.

An Honourable Member: You are going too fast though. Brian wants you to slow down.

Mr. Driedger: Oh, I got that wrong.

Mr. Cliff Evans: Mr. Acting Chair, no, I am not saying for you to slow anything down or do whatever. I am saying that this situation, this road, has been a problem long before I became a member for the area. I am talking from the '87-88 era. Now, on 234, the problem also that I indicated to the minister was the condition, especially from Calders Dock north to Matheson Island.

* (1650)

Now, I can appreciate what the minister is trying to explain here about doing it in stages, but what

about maintaining the condition of that road, not only during the spring and summer but during the wintertime? The condition is absolutely ridiculous—like I said, 30 kilometres an hour to go to Pine Dock, Matheson Island, because I could not travel any faster because of the holes and the boulders, the boulders sticking out or the holes that were down.

At least, if he is going to make some sort of an attempt, if the minister says he is attempting to correct the problem with the road, maintain it until we can get to that part. At least maintain it. Get rid of the problems now.

Mr. Driedger: Mr. Acting Chairperson, I at this time want to take the liberty to table the Capital Program for Highways and Transportation Capital Construction starting in the year 1978-79 to the current year.

The reason I am going to do that is that the member is getting critical in terms of why we have not moved faster on it, but I want to tell him that in 1981-82, that year when the Conservative government got defeated, the Capital Program for construction was \$100 million for that year, in 1981. From then on, it started plummeting down to the point where it finally hit \$83 million in '86-87 and, ultimately, when we got back into government, we took over a shot sort of budget again and brought it up the first year up to \$95 million. If the member looks at the figures, he can see exactly what has happened.

So lest he get too critical, look at where it says \$100 million, the fifth item on that page, and then look for the years that it was under the previous administration when, if they would not have allowed that to deteriorate to that point, roads like this would have probably already been reconstructed.

I just caution the member. I realize there are many roads that have to be done. We are trying to prioritize them, but let him not get too carried away with being too critical. I know the problems that are out there. I am trying to do as best I can and, from my perspective as the Minister of Highways and Transportation, responsible for construction of roads, I would like to see that figure at \$130 million to \$140 million if we had just increased at the normal rate of inflation since 1981.

(Madam Chairperson in the Chair)

Mr. Cliff Evans: The minister should know already, the last two and a half years, that I really, really care

less what has gone on in the past when it comes to spending, okay? I am talking about a situation where I was a constituent, a resident of the area going up there. That is what I am indicating. I do not care about his numbers and who was government and who was minister. I really do not care.

I am talking about right now, today, Mr. Minister, not yesterday, today. So let us move on it today. You are the minister today, and I appreciate, and I have told you, I appreciate what you have attempted to do within my area, and I have sat with you many times and discussed this. So I do not need any politics from you, sir.

Madam Chairperson, when it comes to 234 again, I have indicated to the minister through conversation that there is I believe a Mr. Johnson who is wanting to put in a fly-in resort near Pine Dock, I guess a base. He has also talked to me about 234 and the concern, because we are talking about a fairly substantial—[interjection] float planes, and overnight accommodations just on a lodge basis and so that he can take from that Pine Dock area to his out-camps in the different lakes.

He said to me that the concern of 234 is going to increase when it comes to trying to attract tourist industry, that industry up to his lodge. So you are taking people from Winnipeg, driving them up to the Pine Dock area and then overnight accommodations. Not only must I say to the minister with regard to the safety but also to the future economic development of that area that this is going to bring tourists.

Now, if you do not have a road, if they are going to use their own vehicles or if they are going to be transported by bus, they are certainly not going to come back when they have to travel over a road with that type of condition. So I want to make the minister aware that there is that aspect of it too.

An Honourable Member: That is right, tourism.

Mr. Cliff Evans: Tourism, and really I guess a greater concern is just the safety of that whole road, and it is deplorable.

I would like to ask, on a few other roads, I would like to go to Highway 233 [interjection]. Yes, does the minister want to answer or respond to my statement?

Mr. Driedger: Madam Chairperson, no. I have no argument with the requests that the member is making. I know that it is a very marginal road at best

and that we are moving it into the stages to ultimately start putting it under construction. So I appreciate his comments, and I am prepared to discuss it with the people from the community when they come out—or Mr. Johnston [phonetic] as well, to give him an idea of what we can do.

Mr. Cliff Evans: To finish up with 234, my comments were that I would appreciate the upgrading maintenance, better maintenance. I would like the minister to indicate to me and this House today and to the constituents that the maintenance, the upkeep of that highway, of that road will be a priority until he can continue with the construction.

Mr. Driedger: Madam Chairperson, I have my key people here. They have heard the remarks and the request, and I will ask that they relay the message to my maintenance people in the area to see that we try and maintain it as reasonable as possible.

Mr. Cliff Evans: I thank the minister for that.

A small portion of 233 has been through resolution, through council—R.M. of Bifrost and some concerned citizens have brought it to the minister's attention, we have discussed it. I believe it is a matter of four to five miles of Highway 233 from the junction of 329 going north.

Again, that portion is not paved. On that portion that is not paved there are quite a few residents that must put up with the dust every year. They have requested that the minister complete the paving of that road so that it will not be such a burden on the people living on that highway. [interjection] Highway 233 north from 329. I wish I had a map.

Mr. Driedger: Madam Chairperson, the preliminary work has been done on that stretch of road, the design has been done, acquisition has been done. Anyway, it is virtually ready to go so it is one of the projects that is going to be getting consideration. We are ready to basically move the next step which is basically the base and AST. The reconstruction has taken place, and we are ready to basically do the base and AST which is the oil and chips.

Mr. Cliff Evans: Now the minister is indicating that the north-south part of 233, not any portion of the east-west part but the north-south. If you are looking on the map, go down 329 from Riverton up to 233 coming from 68, the request has been for that portion, until the road makes a turn to the west, to be paved. It has been through resolution.

Mr. Driedger: Madam Chairperson, the grade and gravel has been completed. That was approved in '87. We have done the work. It is ready to basically receive base and AST, and it is going to be one of the projects that is going to be in the mix for consideration at the present time. Whether it gets on for this year's approval or not is one of the things that I consider it being lobbied by the member and will take it under consideration in terms of making it a priority.

Mr. Cliff Evans: Can the minister indicate in the short period of time that we have here, or begin to, just exactly what is his department doing with 233 west of Fisher Branch, the north-south portion? What is he doing with that portion of 233?

Mr. Driedger: Madam Chairperson, the member is aware that we did the base and AST from Fisher Branch going west until the point where the highway turns north, and we have that portion up to 325 on for acquisition of right-of-way. We are proposing that for consideration for inclusion in this year's program.

* (1700)

Mr. Cliff Evans: I want to deal with 329 and 233 again, but I want to ask about 329. As I indicated to him yesterday in the House, I would like to know if the minister did notify staff today about the condition of those three miles, and is something going to be done about it as quickly as possible?

Mr. Driedger: Yes, Madam Chairperson, the member raised it with me yesterday, and other individuals have phoned the department and have raised the concern that there is a three-mile stretch where basically we have frost boils coming out and trucks are getting stuck in there.

What has happened is that actually we have had some pretty busy activity of hauling of heavier loads through there, even during the course of the night, and as a result the road has gone to pot. This is no reflection on the people who haul necessarily. It is a matter of it being a bad stretch of road where the frost boils are coming out, and staff have been made aware of it. They are going to try and address it as soon as they can, and hopefully they will be able to stabilize it so that they can at least drive within reason on that road. Remember, it was snowing on that road as well, so it does not help the situation. There are certain times when these conditions combine, and we have all kinds of problems with that.

Madam Chairperson: Order, please. The hour being 5 p.m., committee rise.

Call in the Speaker.

IN SESSION

Committee Report

Mr. Ben Sveinson (Acting Chairperson of Committees): Madam Deputy 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 Gimli (Mr. Helwer), that the report of the committee be received.

Motion agreed to.

PRIVATE MEMBERS' BUSINESS

DEBATE ON SECOND READINGS— PUBLIC BILLS

Bill 200—The Child and Family Services Amendment Act

Madam Deputy Speaker: On the proposed motion of the honourable member for Wellington (Ms. Barrett), (Bill 200, The Child and Family Services Amendment Act; Loi modifiant la Loi sur les services à l'enfant et à la famille), standing in the name of the honourable member for Interlake (Mr. Clif Evans) and also standing in the name of the honourable Minister of Family Services (Mr. Gilleshammer).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Bill 202—The Residential Tenancies Amendment Act

Madam Deputy Speaker: To resume debate on second reading, on the proposed motion of the honourable member for Burrows (Mr. Martindale), Bill 202 (The Residential Tenancies Amendment Act; Loi modifiant la Loi sur la location à usage d'habitation), standing in the name of the honourable member for Portage la Prairie (Mr. Pallister).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Ms. Becky Barrett (Wellington): I am very pleased and proud to be able to stand today and speak on Bill 202, as the private member's bill that has been put forward by my colleague, the member for Burrows (Mr. Martindale), amending The Residential Tenancies Amendment Act.

Madam Deputy Speaker, we all in this House have a background in a range of occupations and areas of expertise before we come to this House which provides for a richness and diversity of interchange and exchange between members of the House, and I think it is an excellent thing.

It is however not often that a member's background enables them to be able to bring forward legislation that shows very clearly the expertise and experience that they have had. Bill 202, The Residential Tenancies Amendment Act, as put forward by the member for Burrows, is such an example.

The member for Burrows was before his election to the Legislature a prime mover and shaker in the housing reform movement, if you will, in the province of Manitoba. He was one of the architects of The Residential Tenancies Act that was proclaimed by this Legislature in 1990 and has put on record comments about that act and the appreciation that he has for the current government for having instituted that act, which I believe was passed unanimously by this House.

But, Madam Deputy Speaker, no piece of legislation is perfect. In particular, I think we find, after a piece of landmark legislation has been in place for a while, the cracks begin to show and the need for amendment comes forward. That precisely is why in our common-law system we have provisions for amendments to legislation being made. That is the brief background to the introduction of Bill 202, The Residential Tenancies Amendment Act, as put forward by the member for Burrows (Mr. Martindale).

There are two main components to this amendment act that, if passed by this House, will be alleviated. The two main elements of Bill 202 are, No. 1, the right for tenants to organize is protected, and the second element is that harassment of tenants is prohibited. So on the one hand there is a positive right that is being enshrined and explained and extended, and on the other hand there is a prohibition against actions toward tenants that are being prohibited—two very important elements that

need to be addressed in The Residential Tenancies Amendment Act.

Madam Deputy Speaker, by definition, in many cases the act of renting accommodation is an act that implies power, the power of the renter to establish the conditions under which the building or the apartment or the home is being rented and the power of the tenant to choose to remain in that housing or to leave.

Now the issues that are before us in Bill 202 relate to circumstances, particularly in the city of Winnipeg, where there is a power differential, where the powers and the responsibilities and the rights of the landlord and the tenant are very unequal. In the majority of the cases that have led to the introduction of Bill 202, the tenants have very little power and the landlords have a great deal of power. That is because there is a very high incidence of substandard housing in the city of Winnipeg and there is a very high incidence of people on social assistance and very low incomes in the city of Winnipeg.

We on this side of the House have discussed at great length about the causes of those elements in the city of Winnipeg's housing stock happening, and I think it would be inappropriate to go into much detail on those kinds of things at this point but, suffice it to say, there is an enormous potential problem in the city of Winnipeg and to a lesser extent in other parts of the province of Manitoba when it comes to rental housing. The elements of Bill 202 are designed to alleviate those problems.

The landlord in many cases in the city of Winnipeg, in the province of Manitoba in rental housing, particularly low-income rental housing, has an enormous amount of power. No. 1, the landlord has much more of a financial backing than do the tenants in these low-income housing units, because the landlord, by definition, has a certain amount of financial wherewithal or he or she would not be a landlord. Now many landlords, I am sure, Madam Deputy Speaker, would take some exception to that because they would say that their overheads are such and their profit margins are very narrow, et cetera. Be that as it may, landlords have access to financial resources that low-income tenants do not have. So there is a financial power imbalance in these relationships.

There is also a legal power imbalance in these relationships, because by the fact that landlords

have a landlords association, they have access to financial resources, they can take advantage of the legal system more efficiently and effectively than tenants can. Most low-income tenants in public and private housing in the province of Manitoba are not organized, particularly in the private housing market in Manitoba. They do not have tenants associations. They do not have the ability to come together and show strength through unity. One of the elements of this bill is designed to make that easier to occur and that is that the tenants' right to organize is protected.

* (1710)

The other power differential, if you will, in the landlord-and-tenant relationship in the private housing market in the province of Manitoba is that of the degree of choice that people have. I am stating, perhaps, the obvious—certainly, to us on this side of the House it is obvious—when I say that the more access to income or revenue or financial elements you have, the more choice you have. By that definition, low-income individuals who rent private housing in the province of Manitoba have probably less choice than any other group in the province. Certainly a great deal less choice than the landlords do.

So these are some of the inequalities that have been built into the system as far as the landlord and tenant relationships that are being discussed in Bill 202.

The member for Burrows (Mr. Martindale), in his speech when he discussed Bill 202, recently had a very striking example of where tenants were being intimidated by landlords and where they were being harassed by landlords. Mr. Martindale, the member for Burrows, in his canvassing in his constituency has come across blocks that are clearly substandard in their provision of the basic necessities for housing for their tenants.

In knocking on various doors he found that in some cases the tenants wanted to be able to appeal to something, some agency or some group to be able to get some satisfaction against the landlord who was refusing to make the needed repairs.

When the member for Burrows attempted to do that on behalf of his constituents, which is one of the basic responsibilities of a good member of the Legislative Assembly, the landlord proceeded to send a notice to all of the tenants intimidating them

and saying they should not talk to the member for Burrows.

This is the very crude and overt form of harassment and intimidation that is perpetrated upon low-income tenants in Manitoba by landlords. There are many other instances that perhaps are not as obvious of cases where landlords have used their financial and legal clout to harass and intimidate tenants.

The ability of tenants to organize cannot in this context be overstated. This element of the legislation would allow tenants in a single building or a group of buildings to get together, to band together, to discuss their issues of common concern and to, as a group, make presentation for a recourse for assistance.

We all know, Madam Deputy Speaker, that in whatever endeavour we are involved with, groups of people have more clout and more influence than individuals working on their own, by and large. So this is a very important aspect of this piece of legislation and one that must be protected. Not only protected, but I would suggest preserved and enhanced.

Not only should the right of tenants to organize be protected, which is sort of a reactive kind of statement, but it should be facilitated. However, we will take it one step at a time.

The second element is that tenants should not be harassed by their landlords particularly when they are making demands and requests of their landlords that are ultimately reasonable. There should be no discussion on the part of any member of this House that the rules and regulations of The Landlord and Tenant Act, the rules and regulations of the City of Winnipeg or the province of Manitoba, when it comes to basic human habitation, must be followed.

One would think that would be just a statement that was incredibly obvious and why would you need to put it in legislation? Well, we certainly on this side of the House know many examples where this has not been followed, where landlords have been able through their harassment and intimidation, to keep tenants from what is rightfully theirs, which is habitable, affordable, standard housing.

Finally, one of the things that we would suggest be done to facilitate the increase of standard housing is that the Province of Manitoba, either through the social assistance and income security divisions, or in conjunction with the residential

tenancies branch of the government, work together to ensure that individuals and families who are on income security are being provided with the best possible housing. At the very least, the government of Manitoba should not knowingly and willingly participate in the provision of substandard housing to any of its constituents.

Currently the situation is that the Province of Manitoba puts into the City of Winnipeg social assistance housing some \$60 million every year, and a great percentage of that revenue, Madam Deputy Speaker, to landlords, and expenditures on the part of the people of Manitoba is for very severely substandard housing. The government must ensure that the money that it expends on behalf of its citizens goes toward standard, basic, healthy accommodation. So we would ask very much that the government look towards implementing that kind of co-operative venture, so that all of its citizens and certainly those citizens who have their housing needs met by the province have standardized housing accessible to themselves.

Also, another element we would like to see in place or put back in, Madam Deputy Speaker, is a program called CARUMP, which was part of the Core Area Initiative and the City of Winnipeg, which was an inspection program. That program is no longer in existence because the Core Area Initiative is no longer in existence, and we only hope on this side of the House that the government will be successful in its so-far pitiful attempts to renegotiate a Core Area III. In the meantime, Madam Deputy Speaker, it is incumbent upon this government to make sure that complaints are heard, are listened to, and are acted upon.

Madam Deputy Speaker, in closing we feel that there is good and sufficient reason for the government of Manitoba to sponsor and support co-operatively The Residential Tenancies Amendment Act, Bill 202, and we look forward to the government's response to this very important and simple piece of legislation.

Mr. Dave Chomlak (Kildonan): Madam Deputy Speaker, it is a welcome opportunity to rise on the hard work of the member for Burrows in putting forth this very important bill dealing with housing and the rights and protection of the rights of those who are tenants in the city and in the province of Manitoba.

Madam Deputy Speaker, in terms of the constituency that I have the honour of representing,

and it is a mix of both single-dwelling houses, multiple-dwelling houses and many, many apartment blocks. In fact, I think apartment blocks and residential rental units constitute about a quarter of the residences in my constituency. So it is appropriate that I have an opportunity of speaking to a bill that deals with the tenants' rights as reflected in the bill put forward by the member for Burrows (Mr. Martindale) and our party.

* (1720)

Madam Deputy Speaker, I have also had personal experience in the facets of both tenants' rights and the rights of landlords, having served in both capacities. As both a tenant for many years and as a landlord for many years, I have had the opportunity of being on both sides, as it were, of both the ledger and both sides of the issue from that of a tenant and that of a landlord and, indeed, in terms of my own profession prior to entering this Chamber, had the opportunity of representing both sides, as well, in disputes and in matters dealing with residential tenancies.

I believe this is in fact an important bill because it provides an opportunity for those who are tenants in a facility to exercise a right that we take for granted in every other facet of life. That is the right to organize and to be protected from harassment in that right to organize.

This bill, as I read it, does not convey any substantive rights to an individual or individuals who seek to organize. It simply provides them with the opportunity to organize to take advantage of the rights that accrue to them, the rights that are provided to them in this particular bill, the rights that accrue to them delegated from us and the laws as promulgated by the members of this Chamber on behalf of the citizens of Manitoba. So it does not provide a substantive right at all; rather it provides them with an opportunity to organize, which is something that is substantial in itself, but does not provide a substantive right, at least from my readings of the bill.

I think it is something that all members of this House will agree is important in terms of our society and in terms of where we are evolving to in the province of Manitoba.

Housing, as the member for Burrows (Mr. Martindale), who takes the lead often in this issue because of his background and experience, is a fundamental issue of concern to members on this

side of the House, and I am sure to all members in this House, with respect to what basic housing provides for our way of life and for families and for individuals in our society.

It is something that is fundamental to our existence and fundamental to our way of life and fundamental to the way that we perceive our society. Certainly, none of us can rest until we have provided—until all citizens in our society have been provided with adequate and proper housing and accommodation. So in the sense, Madam Deputy Speaker, that is a human and basic right for all of us and we all must and should strive to provide that.

Part of the responsibility for that rests with those, not only who are owners and lessors and landlords with respect to tenancies and respect to residential tenancies specifically, but also those who occupy and lease and rent those facilities. By providing the tenants or renters with the opportunity to organize, we are simply enhancing their ability to provide for themselves and to provide for the improvement of conditions with respect to their housing and with respect to their accommodation, in essence, as I indicated earlier, which flows from my comments, Madam Deputy Speaker, their basic human rights.

So I think that all members in this House will agree that this bill seeks to further enhance the rights, and I use the word not necessarily in a legal sense but in more of a universal sense. It seeks to enhance the rights of all Manitobans and improve quality of life for all Manitobans by providing tenants with the opportunity to organize.

Organization is fundamental, Madam Deputy Speaker, to progress and to moving forward as a society and as a people in Manitoba because it provides an opportunity for an exchange of information. It provides an opportunity to convey and communicate. It provides an opportunity for protection in instances where, and we know it happens, landlords do not live up to their responsibilities under this act.

It provides an opportunity to prevent harassment and discouragement of tenants from securing information and understanding and exercising their rights under this act. I do not see how anyone could be opposed. In fact, both in principle and in fact, I do not know why anyone would be opposed to an amendment of this kind that simply serves to enhance the process under The Residential Tenancies Act by providing more information, by

providing better communication, by providing information to individuals and tenants, by enhancing those rights, by strengthening those rights through this organization. We are improving the climate, I argue.

I think both philosophically and factually correctly, we are improving the operations of this act. We are allowing for tenants. We are allowing for those involved on a day-to-day basis with Housing and with residential tenancies to have an opportunity to get together to discuss, to convey information, to organize and to take advantage of the rights that are given to them statutorily by the members of this Chamber, to take advantage of the rights that have been given to them through the legislation, through this Legislature.

It is very difficult for me to imagine how an argument could be mounted, how even a philosophical argument could be mounted against the provision of an amendment of this kind or from the actual passage of an amendment of this kind that would seek to enhance the functioning of The Residential Tenancies Act and to improve the operations of this act and improve the way of life for all Manitobans, not just tenants, Madam Deputy Speaker, but landlords and all those involved in the functioning of this act.

So I certainly join with members of our party, and I am sure the third party, as well as the government, whom I am sure would have no opposition to an amendment of this kind which strives to improve the climate and relationships of people involved in tenancies in the province of Manitoba, and which seeks to enhance the operation of The Residential Tenancies Act.

Surely members opposite know the importance of organization, the importance of bringing people together on behalf of all citizens to allow them an opportunity to speak their minds and to convey information. We have seen many examples recently, in fact at this Legislature, where people, who have felt their rights have been infringed, have come to the steps of this Legislature and implored and brought their voices together in one voice in opposition to some of the government's plans to strip away their rights and to strip away the opportunities of many Manitobans.

* (1730)

We have seen that on a daily basis occur in this very building, in the constituency represented by the

member for Broadway (Mr. Santos), who has seen on a regular basis hundreds and indeed thousands of Manitobans who have paraded and come to express their minds to this Chamber and to this Legislature to try to convince this government of the error of its ways. That is an example of organization, that is an example of people coming together and expressing a viewpoint and conveying an opinion to the Legislature, which is their right and which is an opportunity held by all Manitobans.

Certainly, it seems to me, I would be very, very surprised if the government could in any way be in opposition to an amendment of this kind that only seeks to enhance the role of citizens, to convey information and to communicate, to exercise their rights as entailed, as outlined, as indicated in The Residential Tenancies Act itself.

I am sure that all members of this House will join us in the speedy passage of this act because of the nature, both of the substance of the act and the philosophy behind it, because it certainly is very—

An Honourable Member: You really have not convinced us yet, Dave.

Mr. Chomlak: Pardon me, Jim? It is quite clear. The member for Arthur (Mr. Downey) indicates that he has not been convinced. I thought that no convincing was necessary in a bill that is obviously in the best interests of all Manitobans, even those who might perhaps be proceeding to take on other occupations or otherwise.

Certainly, if the member for Arthur thinks I have not convinced him, I do not even believe that it is the kind of argument that requires me to put forth any great logic or any great political persuasion, because on the very—

An Honourable Member: We do not think you could.

Mr. Chomlak: Even if I could, the member mentions. Well, perhaps he is right. I note there is a flashing of my light, and I will conclude my comments with anticipation, as I speak of it, that all members will see the good sense in terms of this particular bill and the substantive merits behind it. Thank you, Madam Deputy Speaker.

Ms. Barrett: Madam Deputy Speaker, I would just like to ask if it is the will of the House to call it six o'clock.

Madam Deputy Speaker: Is it the will of the House to call it six o'clock? [agreed]

As previously agreed, this bill will remain standing in the name of the honourable member for Portage la Prairie (Mr. Pallister).

The hour being 6 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Friday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 29, 1993

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