

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 22, 1989.

The House met at 1:30 p.m.

## PRAYERS

### ROUTINE PROCEEDINGS

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I would like to make a ministerial statement.

**An Honourable Member:** Hear, hear!

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

**Mrs. Sharon Carstairs (Leader of the Opposition):** Apparently, there have not been enough copies for the critics in this particular area.

**Mr. Cummings:** Mr. Speaker, I apologize for not having enough copies for the House. I had enough for the critics.

The item that I wish to table is an order to HBM&S smelter at Flin Flon, an order which was issued this morning under the Director of Environmental Control, the Department of Environment. The order deals with a number of concerns which have been raised with the emissions from the smelter and their possible impact on the quality of the environment and health of the citizens of Flin Flon.

It deals with three areas. First of all, the company is required to reduce the levels of fugitive emissions to meet the provincial air quality objectives. Secondly, they are required, in consultation with the community, to put in place an early warning system for the Flin Flon area which will provide notice of unusual weather conditions which may result in the buildup of emissions which could cause health concerns. Thirdly, the company is required to prepare a contingency plan to deal with plant malfunctions which would lead to fugitive emissions.

\* (1335)

The order results from ongoing discussions with the community and the company and reflects the concern that our Government has for the health of citizens.

Concerns with emissions are not new in the Flin Flon area, Mr. Speaker. When this matter was raised about a year ago in the House, it was difficult to deal with because there was no objective data available. The monitoring of air quality had been discontinued by the former administration in 1987, and the single monitor of the company was out of order.

My predecessor had the department re-establish a state-of-the-art air quality monitoring station within the town, which gives immediate readings to us on the

situation. Further, the company is ordered to upgrade its one station and add two more in order to monitor the quality of the air on an ongoing basis.

Because of these actions, we were able to substantiate the concerns raised this spring, and as a result I wrote to the company asking for a plan to deal with the increasing problem of fugitive emissions.

The episode earlier this week resulted from climatic conditions and underlines the need for a contingency plan. This order and the steps which have been taken earlier underline our commitment to working with communities and industries to ensure that we protect our environment adequately.

**Mr. Harold Taylor (Wolseley):** I would like to say, first of all, that this order from the ministry of Environment is appreciated. I think it is a step in the right direction. I think the restoration of the monitoring program, which was eliminated a couple of years ago, is overdue.

I am also glad to see the participation of the company involved in the monitoring directly, as well as the Department of Environment. I think that is a correct step.

The interesting thing is that the weather has not changed, the weather patterns, the characteristics of weather in the Flin Flon and immediate area, nor has the nature of the plant changed. I would have liked to see this Government move sooner on it, but then again we did not see much action by the previous administration, to say the least. In fact, monitoring equipment was removed.

The issue of this plant though, Mr. Speaker, is pollution controls that are required. Yes, for sulphur dioxide but, yes, for also other emissions out of the plant. I hope this Government will be striving to work in co-operation with the firm, HBM&S, and the federal Government in the putting in of the much, much needed plant modernization.

I think what we need here is a close monitoring, not just of monitoring equipment watching things, but monitoring with eyes and ears of departmental inspection staff. I think what we need here is not crisis management but management of the environment. We will on this side be encouraging this Government to take more and further actions on this matter. Thank you.

**Mr. Jerry Storie (Flin Flon):** I am pleased that the Minister has seen fit to take action. I know that the people of Flin Flon have been looking for this kind of action for some months.

Mr. Speaker, the fact of the matter is that the problem the residents of Flin Flon have been experiencing has been worsening for the last year only, and result from two failings of this Government. One is to enforce the ambient air quality in the City of Flin Flon and the

surrounding area, to enforce regulations that HBM&S should be required to live up to. The second of course is that now, a year and a half later, the negotiations for the modernization, which would have solved most of these problems, are floundering and seriously floundering.

I want to say as well that, despite the intentions outlined in the Minister's statements, there are still some shortcomings with respect to obligations that the previous Minister undertook, that this Minister has undertaken, to inform the people of Flin Flon in detail of the nature of the elements which float continuously through the community of Flin Flon and the surrounding area, to insist that they be informed not only of the changes in weather patterns which might precipitate unhealthy conditions, but what is in that material which may pose a health threat.

Mr. Speaker, it has to be more thorough than simply a monitoring of the sulphur dioxide emissions and a reference of those emissions to the people of Flin Flon. They also have a right to know what additional materials they may be dealing with and what impact that might have on their lives and the health of their families. This is a first step. It is overdue by some months. The real problems in Flin Flon are not going to be resolved until this Minister of Energy and Mines (Mr. Neufeld) gets off his hands and starts to negotiate on behalf of the people of Flin Flon, for Hudson Bay Mining and Smelting, for the Province of Manitoba. The deal should have been closed a year ago.

\* (1340)

**Hon. Gerrie Hammond (Minister of Labour):** Mr. Speaker, I would like to table the 1988 Annual Report of the Manitoba Civil Service Superannuation Board.

### INTRODUCTION OF BILL

#### BILL NO. 32—THE CITY OF WINNIPEG AMENDMENT ACT

**Hon. Gerald Ducharme (Minister of Housing)** introduced, by leave, Bill No. 32, The City of Winnipeg Amendment Act; Loi modifiant la Loi sur la Ville de Winnipeg.

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to oral questions, may I direct Honourable Members' attention to the gallery where we have 32 students from the St. Matthew Elementary School in Saskatoon, Saskatchewan, under the direction of Mel Revet.

Also, this afternoon from the Robert H. Smith Elementary School, we have twenty-five Grade 5 students under the direction of Carlotta Kulpak. This school is located in the constituency of the Honourable Member for Selkirk (Mrs. Charles).

From the Southwood Elementary School, we have forty-four Grades 5 to 8 students under the direction of Richard Krahn. This school is located in the constituency of the Honourable Minister of Rural Development (Mr. Penner).

From the Cross Lake School, we have fifty Grade 6 students under the direction of Judy Halcrow. This school is located in the constituency of the Honourable Member for Rupertsland (Mr. Harper).

From the Woodlands Colony School, we have thirty Grades 1 to 8 students under the direction of Alexis Einarson. This school is located in the constituency of the Honourable Minister of Natural Resources (Mr. Harry Enns).

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

### MATTER OF PRIVILEGE

**Hon. Edward Connery (Minister responsible for The Workers' Compensation Act):** Mr. Speaker, I rise on a question of privilege. Tuesday last, the Member for Selkirk (Mrs. Charles) attributed certain statements dealing with Workers Compensation claim delays to the Office of the Provincial Ombudsman. On June 21, the Ombudsman, Mr. Gordon Earle, wrote my office and stated the following:

"This letter is to confirm that while our office has expressed concern to the Workers Compensation Board about delays in cases being heard and decisions rendered, we have made no report nor statements comparing the operation of the Board under the current administration with the operation of the Board under the previous administration."

Mr. Speaker, the Ombudsman's office is an independent arm's length servant of the Legislative Assembly and should not be used by any Member in an attempt to legitimize comments made in this House of a cross political nature.

I move, seconded by the Minister of Agriculture (Mr. Findlay), that the Member for Selkirk (Mrs. Charles) apologize to the Office of the Ombudsman and the Members of this House for putting in question the impartiality of the Office of the Ombudsman, and I would table the letter from the Ombudsman, Mr. Speaker.

### MOTION presented.

**Mr. Speaker:** I will permit limited and strictly relevant debate concerning whether or not the matter has been raised at the earliest opportunity and a prima facie case of privilege of the House has been presented.

**Mr. Reg Alcock (Opposition House Leader):** Mr. Speaker, I would ask that you take this under advisement, that you review Hansard. I think the statements made by the Member for Selkirk (Mrs. Charles) were entirely appropriate. She was bringing forward to this House information that all Members in this House have been provided relative to the performance of the Workers Compensation Board.

I think that a number of us have been raising this concern over and over and over again privately, as was requested, and seeing the situation deteriorate. I think the statements that the Member for Selkirk (Mrs.

Charles) made were consistent with information that we have received. I think that the role of the Ombudsman is to investigate concerns raised by this House. The remarks that she attributed were resulting from conversations she has had with that office. I do not think it is either a matter of privilege or inappropriate for this Member to be raising those things.

\* (1345)

**Mr. Steve Ashton (Second Opposition House Leader):** Mr. Speaker, in taking this matter under advisement, I would certainly point to Beauchesne's Citation 31, which states quite clearly that a dispute arising between two Members as to allegations of facts does not fulfill the conditions of parliamentary privilege. I raise that point because I do not think that there is any doubt in anybody's mind that the waiting period for workers compensation is increased. About the only person in this province who does not realize that is the Minister responsible for Workers Compensation (Mr. Connery).

Mr. Speaker, if the Minister responsible for Workers Compensation (Mr. Connery) wishes to insist on saying that Members should go on tours of the facility and that is sufficient in terms of dealing with the problems facing injured workers, that is his business. I would suggest that he not waste the time of this House over what is clearly a dispute of facts, a dispute of facts I might say that we, in the New Democratic Party, know clearly is the fact that there is an increased waiting period. I would really suggest that we get on with the proper business of this House, and not deal with this rather frivolous matter of privilege.

**Hon. James McCrae (Government House Leader):** Mr. Speaker, when the matter involves the Office of the Ombudsman, in no way could it be considered a frivolous question of privilege. I will read into the record the exact comments made by the Honourable Member for Selkirk (Mrs. Charles) in a moment. Let me say this is the first opportunity the Honourable Minister has had to raise this matter in the House.

The comments made by the Honourable Member for Selkirk (Mrs. Charles) are as follows: "Can the Minister, therefore, explain why the provincial Ombudsman's office and the Injured Workers Association say that under this Government delays are even worse than before?"

**Mr. Speaker:** Order, please; order, please. I would like to thank all Honourable Members for their advice. This is quite a lengthy letter that we have received from the Ombudsman. I will have to peruse Hansard and the information that has been made available to me. I, therefore, take this matter under advisement and I will report back to the House.

## ORAL QUESTION PERIOD

### Federal Sales Tax Revenue Neutral

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, yesterday the Finance Minister (Mr.

Manness) did not seem to have any idea as to what his jurisdiction and responsibility were with regard to the national sales tax. Yet he made the statement in this House that he would prefer that the national sales tax be visible in this province.

My question to the Minister of Finance (Mr. Manness) today is, what does he intend to do to ensure that this tax be revenue neutral in the Province of Manitoba?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, contrary to the preamble of the Leader of the Opposition (Mrs. Carstairs), I was not unclear as to my view on the national sales tax of the federal Government as a federal Government initiative, and they are ultimately responsible for their tax. What I was a little uncertain was as to where in the Constitution it was provided that Manitoba would have some say over the application of a federal tax.

Mr. Speaker, I must indicate that we have searched through the Constitution of Canada and there is an area that says: "An expression of a tax is a matter of commercial law which is in provincial jurisdiction." What officials in my department have been doing through yesterday and through today is trying to find out how it is that the federal Government, the federal Department of Finance, on the basis of that reference within the Constitution of Canada, is somehow suggesting that Manitoba somehow should make a decision as to how the federal sales and goods tax is applied.

Let me say clearly to the Member, our objectives with respect to the federal goods and services tax which is a federal tax, and I reiterate that again, is that we protect but not enhance—and again, I say protect, not enhance—our own sales tax revenues, and that we see implemented to the extent that we have any say a system which is fair and easily understood by consumers and business operators in the Province of Manitoba.

### Provincial Sales Tax Reduction

**Mrs. Sharon Carstairs (Leader of the Opposition):** With a supplementary question to the Minister of Finance (Mr. Manness), if he is stating today clearly that this tax is to be revenue neutral, will he guarantee to the taxpayers of the Province of Manitoba that he will reduce our sales tax in this province in order to make it revenue neutral if the federal tax is cascaded and is not listed as a separate item?

\* (1350)

**Hon. Clayton Manness (Minister of Finance):** See, Mr. Speaker, what has happened here, based on all the ifs and all the suppositions by the Leader of the Opposition (Mrs. Carstairs), is the belief that their analysis somehow indicating that Manitoba is going to receive \$40 million additional taxation is correct.

Again, the research done by somebody in the Liberal Party is completely wrong, because the Liberal Party

has failed to take into account the fact that the 12 percent sales tax on manufactured goods, now to become 13.5 percent, is going to be reduced to 9 percent. We put tax on tax on top of that and bring in \$35 million. There will be a significant reduction in the area of Manitoba sales tax within that area.

The Member also forgets that with the application of the new federal sales tax that \$300 million in additional taxation will probably be removed from Manitoba and that will affect our economy . . . .

**Mr. Speaker:** Order, please; order, please. I would like to remind the Honourable Minister that answers to questions should be as brief as possible.

### Cascading

**Mrs. Sharon Carstairs (Leader of the Opposition):** The question is relatively simple. If a 9 percent tax is built in, the Government of this province will reap additional benefits. If it is placed on top, they will not reduce.

Can the Minister of Finance (Mr. Manness) tell this House if it is the policy of his department that they will not place provincial tax on top of federal tax?

**Hon. Clayton Manness (Minister of Finance):** You see, Mr. Speaker, this is the problem. The Liberals do not understand that 13.5 percent is the rate that is built in today. We are taxing on top of that, and we are bringing upwards of \$35 million today and by way of provincial sales tax cascaded, to use her terms, on the 13.5 percent rate. That is going to be reduced to 9 percent. That represents a loss of revenue, not \$40 million extra.

**Mrs. Carstairs:** But the Finance Minister (Mr. Manness) is not being totally clear with the people of this province, because many new services will be afforded and will be taxed that have never been taxed before, many new services, and everyone in this country admits that except our Minister.

Mr. Speaker, why will this Finance Minister not tell the taxpayers of Manitoba today that they will be protected against this erosion, and it is an erosion, of federal tax into the Province of Manitoba and that they will not double tax these people?

**Mr. Manness:** I cannot make it any clearer. I said our objectives are to protect—that means there could be a loss—protect but not enhance the revenue that Manitoba receives through the implementation of a national sales tax. But just like the Leader of the Opposition indicated that she did not understand the fact that the rates on the manufacturing goods are going down from 13.5 percent to 9 percent, let me also say that the provincial economy is probably going to lose \$300 million which is going to impact on the corporate and personal tax rates.

So one cannot and the Government cannot make a judgment easily on the basis of some pure arithmetic supposedly used by the Members opposite. Indeed, you have to take into account all of these things, but

again it will be a revenue-neutral tax. We will not be taking out any more by way of cascading. That is the commitment to the people of Manitoba.

**Mrs. Carstairs:** Mr. Speaker, with a new question to the Minister of Finance (Mr. Manness), you know we have some difficulties with Tories because federal Tories have been saying a long time that this is to be a revenue-neutral tax. Now we have a Finance Minister who says, well, maybe it is going to be a revenue-neutral tax—

**An Honourable Member:** He did not.

**Mrs. Carstairs:** He said, maybe. He also said, as the economy goes up, well, we may not give those benefits back to the people of this country— (Interjection)— the federal Minister of Finance.

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

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

### Reduction

**Mrs. Sharon Carstairs (Leader of the Opposition):** Thank you, Mr. Speaker. The simple question is, will this Minister guarantee to reduce provincial sales tax if it becomes essential to cascade the tax in the Province of Manitoba as decreed by the federal Government?

\* (1355)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I do not even have to answer that question. There were three "ifs" that I heard in that statement, but I will say this to the Leader of the Opposition (Mrs. Carstairs), my statement stands. It is the same statement that I made in this House last fall when we were in Session. I said this would be revenue neutral to the Province of Manitoba. That stands.

I say today, as I stand in my place, that we will not enhance our revenue from this. For the Leader of the Opposition to believe that the argument, from her point of view, is so simple to believe that we are going to receive \$40 million, she is wrong, wrong, wrong, Mr. Speaker, because in essence as the rate is going down from 13.5 percent to 9 percent, we are losing \$22 million on that side. So let her not try to get this Government today to say that it is going to provide some rate below the 7 percent rate to offset something else, because they do not understand the basis of the application of either rate.

**Mrs. Carstairs:** My final supplementary question, Mr. Speaker, and the 9 percent will go on, and on, and on, and on to services and products that have never been taxed before.

### Finance Minister Federal/Provincial Meeting

**Mrs. Sharon Carstairs (Leader of the Opposition):** A final question to the Minister of Finance (Mr. Manness), will this Minister tell us when he will meet with the

federal Minister of Finance to make sure that the rules affecting Manitoba, the rules he did not know anything about yesterday, will be clearly spelled out and the people of this province will be clearly informed?

**Hon. Clayton Manness (Minister of Finance):** There are so many errors in the preamble. The 9 percent tax is not our tax, it is the federal Government's. We do not apply any tax against services in the Province of Manitoba, so the Member is trying to, in my view at least, confuse the issue. With respect to Manitoba's rules, Manitoba is treated no differently than any other province. The Constitution of Canada applies to all the provinces.

With respect to our officials coming together, Mr. Speaker, we are doing that on an hourly basis. I certainly will be meeting with the federal Minister of Finance on this issue and other issues, believe me. But before that is necessary, let us find out, let us remove some of the confusion as provided by the announcement in Ottawa yesterday.

### Environment Act City of Winnipeg Compliance

**Mr. Gary Doer (Leader of the Second Opposition):** My question is to the Minister of Environment (Mr. Cummings). In 1987, this Legislature passed a new Environment Act which was proclaimed March 31, 1988. Along with many other advancements in that Act, and many of them long overdue even in 1987, was the removal of the exemption for the City of Winnipeg. That is there was a phase-in period of about nine months to March 31, 1988, dealing with the City of Winnipeg, the largest community in our province, to have the full implementation of the Act in place. Unfortunately, through last year's questions, we were not able to get the implementation of The Environment Act with the former Minister, and we were absolutely shocked when this House rose last December that shortly thereafter we had a bureaucratic committee set up between the province and the city to negate the effect of The Environment Act, to negate the licensing requirements, to negate the water requirements, to negate the ability of people to have public hearings.

My question to the Minister of Environment is, why has he not brought that Act in its full force with the City of Winnipeg as part of his responsibilities as our Environment Act?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, we are actively working towards that end.

**Mr. Doer:** Well, Mr. Speaker, we know that the City of Winnipeg, the old Gang of 19, the Liberal-Tory coalition, opposed the new Environment Act, did so publicly.-(Interjection)- If you will check Hansard of July of '87, you will find it. We know that the old gang opposed The Environment Act. We know the . . . .

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

**Mr. Speaker:** Order, please. The Honourable Member for Wolseley, on a point of order.

\* (1400)

**Mr. Harold Taylor (Wolseley):** Yes, Mr. Speaker, on a point of order. The Minister of Finance (Mr. Manness) from his place says, where was Harold Taylor, in response to the misinformation from the Member for Concordia about people opposing The Environment Act. I would like that Member to come clean on this and state who voted against it. I do not recall voting . . . .

**Mr. Speaker:** Order, please; order, please. A dispute over the facts, as the Honourable Member knows, is not a point of order. There is no point of order. The Honourable Member for Concordia.

**Mr. Doer:** Thank you, Mr. Speaker. I did say that the Gang of 19, the Liberal and Tory coalition members at City Hall did oppose it, and I did not think the Member for Wolseley would be so sensitive that he would have to stand in his place.

My question to the Minister of Environment, does he not think that two years is sufficient period of time for the City, our largest municipality, to comply with The Environment Act so that citizens dealing with water issue, sewage issues, sewage treatment issues, snow disposal, bridge construction and the other matters that other citizens have rights in the environment, would be covered fully under The Environment Act? Why is this Government kowtowing to the old Gang of 19 at City Hall and not implementing the full Environment Act?

**Mr. Cummings:** Mr. Speaker, there is a broad list of accusation in that statement from the Leader of the New Democratic Party (Mr. Doer). I am not sure who he thinks that I or this Government would kowtow to but frankly, Mr. Speaker, as I have said in my first answer, we are working towards bringing the city into compliance with The Environment Act. I think that he, along with everyone else in this House, would accept the fact that there is a certain realistic ability to conform to guidelines, and the city has been co-operating of late.

### Implementation

**Mr. Gary Doer (Leader of the Second Opposition):** I would ask the Minister what legislative or legal authority does he have to not implement The Environment Act in the City of Winnipeg? What authority is he using to establish the bureaucratic committee with the city in not having citizens have rights that were passed by this Legislature? How can a Government circumvent this Legislature?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, there are occasions when to impose the ultimate strength of the law would put reason at jeopardy, frankly. If we consider, for example, some of the very large undertakings that will have to be taken by the city, I think it is reasonable that we approach this through discussion and agreement, and we will very quickly make sure that we have an agreement that brings them underneath the Act.

**Mr. Speaker:** The Honourable Member for Concordia, with his final supplementary question.

**Mr. Doer:** The Minister has just admitted that the City of Winnipeg is breaking The Environment Act, Mr. Speaker, and the Minister is in complicity with the city doing that.

Does the Minister not realize that The Environment Act can be law and implemented in such a way that the city can get licences for many of the big projects? It could have got licences a year ago for many of those projects. That is not contrary to the Act. The licences can be granted, the public hearings can take place and this bogus argument about complicity with the City of Winnipeg is absolutely not relevant in terms of the 600,000 citizens in Winnipeg.

**Mr. Cummings:** Mr. Speaker, we are actively working towards that end. I suggest that the Member is not keeping in mind the reality of imposition of the law.

### Victim Assistance Funding Delays

**Mr. Paul Edwards (Edwards):** Mr. Speaker, my question is for the Minister of Justice (Mr. McCrae). Grass-roots victims' groups are being starved out in this province. This Government has politicized funding in yet another community-based initiative area. Recommendations for funding for various victims' groups from the Victims Assistance Committee went to Treasury Board in early April of this year, and since that time not one penny has been paid out to a victims' group in this province.

My question is, will the Minister stop saying one thing and doing another, and immediately speak to his Treasury Board counterparts to get funding going again for victims' groups in this province, which sprang up very recently out of an initiative that was started in this province, which was unique in Canada, and which has led to these grass-roots community groups springing up? Now they are being starved out. Why?

**Hon. James McCrae (Minister of Justice and Attorney General):** The Honourable Member is wrong again, Mr. Speaker. Victims' groups in Manitoba are not being starved out, as the Honourable Member would put it. If the Honourable Member had his way, there would be no money left in the fund and he and his colleagues would not care how the money was being spent, and then victims in this province would be starved out in terms of funding assistance for them.

**Mr. Edwards:** Mr. Speaker, these are not my recommendations, these are recommendations of the Victims' Assistance Committee, a committee set up of experts and victims to deal with those funds—not me, not that Minister. That Minister is now in control of these funds.

### Victim Assistance Committee Politicization

**Mr. Paul Edwards (St. James):** A supplementary question, one of these groups is the Mother Earth Group in Brandon, another is the Victims' Services Unit sponsored by the Brandon Police Department. Will this Minister not stand up for victims throughout Manitoba and victims' groups in his community and stop this blatant politicization of a fund that belongs to victims?

**Hon. James McCrae (Minister of Justice and Attorney General):** If the Honourable Member has an accusation to make, let him be specific about it.

**Mr. Speaker:** The Honourable for St. James (Mr. Edwards), with a final supplementary question.

**Mr. Edwards:** Specific, I can get. The fact is that victims' funds are being held up by this Government. Victims' funds—(Interjection)

A supplementary for the same Minister, Mr. Speaker, victims' groups are going the way that the Intercultural Council went, the way that the Law Reform Commission went. This Minister is presiding over that process.

### Victim Impact Statement Recommendations

**Mr. Paul Edwards (St. James):** My final question, has this Government yet, a year after receiving the evaluation report on the Victim Impact Statement project, come to any conclusion as to the validity of this project and whether or not it should be an ongoing funded project under the Victims' Assistance Committee?

**Hon. James McCrae (Minister of Justice and Attorney General):** The Victim Impact Statement project is a project not just involving the Province of Manitoba, so that we cannot act totally on our own on that matter.

I would like to ask the Honourable Member to be clear about what he means by politicizing the Victims' Assistance Committee. Would the Honourable Member please explain what he means by politicizing the Victims' Assistance Committee?

### Core Area Initiative Renewal

**Mr. James Carr (Fort Rouge):** Mr. Speaker, my question is for the Minister of Urban Affairs (Mr. Ducharme). In March of 1991, the mandate of the Core Area Initiative project will run out. Since co-operation between the federal and provincial Governments is at best aggravating and continues to be so, there is reason to be concerned about the federal Government's commitment to the revitalization of downtown Winnipeg. Just last week, the federal Minister responsible said that he would only consider negotiating a renewal to the core if it was a top priority of this Government.

My question to the Minister is simple. Is renewal of the Core Area Initiative a priority of his Government,

and has he had any conversations yet with the federal Minister?

**Hon. Gerald Ducharme (Minister of Housing):** Mr. Speaker, first of all, it was this Government under Sterling Lyon, under the Honourable Member, Gerry Mercier, who was involved in the original Core Program. It was not only Mr. Mercier however but myself as a member of City Council was involved in the original Core Area Program, ongoing negotiations, always with the federal Government. We do meet policy, we do meet with the other partners and shareholders and that is still going on. As he has suggested, that particular program will not be finished until 1991 and the funds can flow until 1992.

**Mr. Carr:** There was no reference in the answer to the priority his Government places on renewal of the core.

### Winnipeg Revitalization Initiatives

**Mr. James Carr (Fort Rouge):** With a supplementary question, we now know that there will be additional suburban developments taking away more and more from the centre of our city. We now have 250,000 square feet of commercial space which has been approved in the southwest portion of the city.

My question for the Minister is, what does he intend to do to stop the hemorrhaging of the core of the downtown of this city, and what specific steps can he announce to this House?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** If the individual across the way would pull out the latest Core Program on the enhancement, look at all the building and all the structures throughout the Core Program, look at that and then come back and suggest that these three shareholders did not co-operate in developing the downtown core.

### Core Area Initiative Public Hearings

**Mr. James Carr (Fort Rouge):** With a final supplementary to the Minister, any renewal of the Core Area Initiative will require a detailed assessment of the successes and the failures, running up to 1991. Does the Minister intend to hold public hearings, and just what process will he ensure is undertaken to make sure that the people of Winnipeg have the best opportunity to express their opinions?

\* (1410)

**Hon. Gerald Ducharme (Minister of Urban Affairs):** The three shareholders have met and will continue to meet at policy in determining the assessment of the present core and the previous core programs. At that time, at the assessment and if we evaluate it, then we will go and make that decision.

### Air Ambulances Access Policy

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, my question is to the Acting Minister of Health (Mr. Derkach). Can the Acting Minister of Health indicate why this Government has chosen to follow a policy which allows medical staff, rather than medical staff but staff of the Department of Health, to override decisions of physicians to transport patients by emergency evacuation from northern Manitoba and, in their doing, jeopardize lives and put the health and safety of individuals in jeopardy?

**Hon. Leonard Derkach (Minister of Education and Training):** In order that the Member for Flin Flon may receive a thorough answer to that, I will take that answer under advisement and have the Minister of Health report back.

**Mr. Storie:** A follow-up question, perhaps the Minister could also indicate why a constituent of mine by the name of Orla Czettisch with a serious blood disorder, after a request by her physician to transport this patient immediately to the Health Sciences Centre corroborated by a resident at the Health Sciences Centre, was denied access to the air ambulance in a move which the doctor indicates was a serious shortcoming and seriously jeopardized this woman's life?

**Mr. Derkach:** I respect the serious nature of that question, and certainly I would be pleased to take that question as notice for the Minister of Health (Mr. Orchard).

**Mr. Storie:** A final question to the Deputy Premier (Mr. Cummings), Mr. Speaker, this is not the first incident of a life-threatening nature. Some months ago, a similar case where a blood disorder—

**Mr. Speaker:** Order, please; order, please. Does the Honourable Member have a question? Would you kindly put your question now?

**Mr. Storie:** —a similar case. Will the Deputy Premier assure the people of northern Manitoba, the people of Flin Flon, that this Government is not sacrificing a valued medical evacuation service, not sacrificing it to save money, not sacrificing it for the convenience of medical staff, staff in the Department of Health and—

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

**Mr. Speaker:** Order, please; order, please. There is a question there. The Honourable Acting Minister of Health.

**Mr. Derkach:** Mr. Speaker, I would certainly be happy to take that question as notice for the Minister of Health (Mr. Orchard), because I do think that he is the one who should probably come back with the complete answer to the Member for Flin Flon.

## VIA Rail Usage

**Mr. Ed Mandrake (Assiniboia):** Mr. Speaker, preliminary statistics from VIA Rail for the first three months of 1989 indicate that there has been an increase in usage of 36 percent. Canadians have responded to the Prime Minister's call to use it or lose it by indeed using it.

Can the Minister of Transportation (Mr. Albert Driedger) tell us today what is he going to do to ensure that we do not lose VIA Rail in Manitoba?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, first of all, it is not within my jurisdiction or responsibility to make a decision on that. However, from the time that the first reports came out on VIA Rail, I wrote the federal Minister of Transport indicating our concern and hoping that he would look at all alternatives. The indications are that no decisions will be made until the report is coming down. At that time, we will have a chance to look at the impact that it will have on Manitoba, and then we will continue to make our representation on behalf of the people of Manitoba.

## Federal/Provincial Meeting

**Mr. Ed Mandrake (Assiniboia):** Can this Minister tell this House if he will lobby the Minister of Transportation in Ottawa to secure a commitment from VIA that Manitoba is going to be secured the services from VIA Rail?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, it is precisely what I have been doing and will continue to do.

## Port of Churchill Grain Shipments

**Mr. Ed Mandrake (Assiniboia):** My final supplementary to the same Minister, Mr. Speaker, we have heard that grain will be shipped through Churchill this summer. When will the first shipment be loaded at Churchill in 1989?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, based on the much publicized trip of some people from this province to see the federal Minister of Transport as well as the Minister responsible for the Wheat Board and the letter that was made reference to, maybe I could table the letter. I would like to read it.

It says, "Dear Mr. Richford: Thank you very much for yours of May 24. As usual, you have given this subject a very thorough analysis. I shared your letter with my colleagues, as well as those in our marketing section. We expect to do some business in Churchill this year. It may not be as large a quantity as we would all like, but maybe more than some seem to expect. All of this is, of course, depending on a number of factors."

Mr. Speaker, there is no firm commitment. We are lobbying and we hope all Manitobans are lobbying with us to try and see whether we can get some grain through the Port of Churchill.

## Health Care Northern Staff Shortages

**Mr. Steve Ashton (Thompson):** Mr. Speaker, my question is to the First Minister (Mr. Filmon), and it is in regard to the growing crisis in the health care system in northern Manitoba. Mr. Speaker, those are not my words, those are the words of the administrators, the boards and the staff of many health care facilities in the North. In The Pas, there are 10 general practitioners instead of the 16 that are required. In Thompson, there are five, as compared to the 13 or 14 that we had two years ago, but is the bare minimum number to serve the population area.

Mr. Speaker, I would like to ask the First Minister (Mr. Filmon) what action this Government is taking to deal with this critical shortage of general practitioners across northern Manitoba.

**Hon. Gary Filmon (Premier):** Mr. Speaker, I regret that I do not have the news release here with me, but I know that yesterday the Minister of Health (Mr. Orchard) made an announcement specifically addressing that concern, a concern that we all share, that people in this province, regardless of where they live, ought to have access to competent medical assistance and medical treatment.

One of the great concerns of course that has been there, and was there during the term of office of the former NDP Government, was the fact that we did not have enough practitioners there. So the Minister announced a \$400,000 special program of providing incentives for doctors to be practising in rural Manitoba, an opportunity for doctors from outside the country to have their credentials approved on a much more expedient basis so that they could be practising in rural and northern posts, and other initiatives such as the reconstitution of a new Standing Committee on Medical Manpower, including doctors from rural and northern Manitoba, with the specific mandate to ensure that we address that problem by bringing more doctors into rural and remote areas of our province to ensure that people everywhere in this province get a standard of health care that all of us believe in.

**Mr. Ashton:** Mr. Speaker, in Thompson there was not a shortage until just this past year, so the First Minister (Mr. Filmon) should not try and politicize the very serious problem.

## Thompson General Hospital Anesthetist Shortage

**Mr. Steve Ashton (Thompson):** But I would like to ask the Minister, in light of his answer, why the First Minister (Mr. Filmon) has rejected the urgent request of the board of the hospital in Thompson for this First Minister and the Minister of Health (Mr. Orchard) to

intervene to prevent the loss of the anaesthetist who is losing his qualification in Thompson because of the stringent requirements of the College of Physicians and Surgeons, requirements that involve the fact that he has not had practice in community health, which is not relevant at all to his practice. Why has the First Minister and the Minister of Health refused to intervene to save the anaesthetist position in the Thompson General Hospital?

**Hon. Gary Filmon (Premier):** Mr. Speaker, you know I find it somewhat amusing that the Member for Thompson (Mr. Ashton) is suggesting that I politicized the answer by referring to the fact that there have been shortages in this province in areas of medical manpower that have existed well before our Government came into office, but it is okay for him to ask a question implying that all of these problems are as a result of the election of this Government.

That is absolute nonsense, Mr. Speaker. We are doing things which were never done by the former administration. I have listed some of the initiatives in my previous answer—the Standing Committee on Medical Manpower, the \$400,000 of targeted assistance, the approval of people from out of the country with their medical qualifications getting certification here. All of these things are initiatives of this Government to address that very problem, and he ought not to stand here in this House and suggest that this is a problem of this Government. This Government is providing the solution; his Government caused the problem, Mr. Speaker.

**Mr. Ashton:** There were 13 physicians in Thompson just over a year and a half ago. There are currently five. This Government has failed to—

**Mr. Speaker:** Order, please; order, please. The Honourable Member for Thompson (Mr. Ashton), with his final supplementary question.

**Mr. Ashton:** I have a final question, since the First Minister has not answered my second question, and that is in regard to the serious—

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

\* (1420)

**Mr. Ashton:** Mr. Speaker, I realize that the First Minister does not have to answer questions. I only merely made mention of the fact that he did not answer the question.

**Mr. Speaker:** Order, please. The Honourable Member is quite aware of the fact that we do not make any comment or references to the fact, whether or not we receive an answer. That is totally out of order. Will the Honourable Member for Thompson kindly put his final supplementary question?

### Maintenance Funding

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I have a further question to the Minister, and I hope he will

answer the question. That is in regard to the serious problems with both maintenance and funding for staff and for capital resources, once again in the Thompson General Hospital and throughout northern Manitoba.

In view of the fact that the Minister of Health (Mr. Orchard) has refused to acknowledge the fact that a problem exists, will the First—

**Mr. Speaker:** Order, please; order, please. The Honourable Member is going to put his question now?

**Mr. Ashton:** Yes.

**Mr. Speaker:** Put your question then, please.

**Mr. Ashton:** In view of that fact, Mr. Speaker, will the First Minister now respond to the very crying needs in the Thompson General Hospital, given the fact that they have filed a document with MHSC as of this week pointing to the need for major repairs to the Thompson General Hospital, repairs that the Minister of Health (Mr. Orchard) has been denying are necessary?

**Hon. Gary Filmon (Premier):** Mr. Speaker, for the information of the Member for Thompson, in the last Budget that we passed in August of 1988, there was a projected increase of funding in health care well above inflation, well above 7 percent. In this Budget that we have just passed last week, the increase in health care spending is again in excess of 7 percent. We are committing ourselves to \$400,000 specifically targeted at getting medical practitioners into rural, northern and remote areas of this province.

I will take the rest of his question as notice on behalf of the Minister of Health (Mr. Orchard), so he can tell him the further responses to the specific question about the Thompson General Hospital.

### Boating Regulations Speed Limits

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, as a result of input to a public hearing on voting regulations, Winnipeg City Council last night passed its recommendations for this city's first set of boat speed limits. The speeds of 50 km night and 70 km day on the Red, and 10 km night and 37 km day on the Assiniboine require provincial concurrence before forwarding to the federal Government for inclusion in the Canada Shipping Act Regulations.

Mr. Speaker, to the Minister of Urban Affairs (Mr. Ducharme), will the Minister explain how his department will expedite the transmittal of the city's requested boating regulation to the federal Government? Also, will he confirm that the boat speed limits will be in place this summer, as is expected by City Council?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, first of all, it was this Government that suggested the 10-point plan last November. This particular Government also would make sure they passed on to City Council that public hearings be held. Due to some delay at the City Council level, the public hearings were not held until last week.

We, along with the member from City Council who is in charge of the committee responsible, had written a letter just recently to the federal Government suggesting that these be tried to be put in place for '89. We will do everything in our power on this side to suggest to the federal Government to have them in place for '89. The latest suggestion is they will not be in place for '89, by the federal Government.

### Rivers—Winnipeg Management Plan

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, in the last two Throne Speeches, enhancement of Winnipeg rivers was emphasized. When will this Minister finally announce a program, and I am not talking about the 10 points he just referenced, but a proper river management and river enhancement program with some meat to it so that Winnipeggers can see what his Department of Urban Affairs is initiating on this very important recreational and natural resource?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, I am delighted that the Member across the way has taken notice of the Throne Speech. Yes, in the Throne Speech, we suggested—and I can say to him he will be delighted when we lay forward our plan.

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

**Mr. Taylor:** Mr. Speaker, there are many lacks of activity by Government to assure the protection of Winnipeg's rivers. We can talk about bank stabilization, pollution, hazards on the river. What is the Minister doing in the way of specifics in co-operation with the (Interjection)—Thank you, Harry. What is the Minister doing to encourage the co-operation and the activity of his colleagues in Cabinet to make certain there is a concerted all-Government initiative for the enhancement of those rivers?

**Mr. Ducharme:** Mr. Speaker, to the Member across the way, I am sure he will be delighted when we bring forward our management on the river ways. We are in full co-operation with all Members of Cabinet dealing with this program when we bring it forward. I am sure he will like every part of it.

### Drought Assistance Payment Delay

**Mr. Bill Uruski (Interlake):** Mr. Speaker, farmers of this province and of western Canada have been waiting for over a year or almost a year for payments that were announced by the federal Government for drought assistance. The partial payments have been made to date, but there has been no word from them as to when the final payments will be made.

I would like to ask the Minister of Agriculture (Mr. Findlay) whether he has any word on this matter from the federal Government because there are a number of federal-provincial agreements that have been moved

aside, and can he advise when farmers of western Canada will receive the benefit of the drought assistance program that was promised in November of 1988.

**Hon. Glen Findlay (Minister of Agriculture):** I can tell the Member the latest information that we have is that the federal Government believe that they are on target with their announcement of the cheques going out in July of this year, the final cheques. I can tell him that the interim cheques that were mailed out put some \$45 million of money into the pockets of Manitoba farmers, and the anticipated—and I will use the word "anticipated"—final payment will put approximately another \$125 million into the pockets of Manitoba farmers.

### Herd Retention Program Payment Plan

**Mr. Speaker:** The Honourable Member for the Interlake will have time for one very short question.

**Mr. Bill Uruski (Interlake):** Mr. Speaker, on another federal-provincial agreement, I asked the Minister of Agriculture, dealing with the Herd Retention Program and the Feed Security Program, there is a dispute under way that the federal Government is not prepared to pay the legitimate claims of assessments made to farmers under the Feed Security Program.

Can the Minister indicate whether farmers will be paid or will they have to wait or what will be the result of that dispute that is currently under way?

**Hon. Glen Findlay (Minister of Agriculture):** I would also like to tell the Member that we have on two separate occasions written the federal Minister asking him to authorize the Crop Insurance Corporation to pay that additional money that should be going to livestock producers under the Livestock Feed Security Program because of changes in the percent production figures through a review committee that was put in place jointly by the federal-provincial Government.

Unfortunately, I have to tell him at this point they have not conceded to that request. They have continued to say no, it does not qualify, but we continue through telephone conversations and through communications at the staff level, to put our case forward. We do believe we will win the case and that will eventually happen but, at this point in time, they have not conceded yet.

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

### NON-POLITICAL STATEMENTS

**Mr. Harry Harapiak (The Pas):** Mr. Speaker, can I have leave to make a non-political statement.

**Mr. Speaker:** Does the Honourable Member have leave? (Agreed)

**Mr. Harry Harapiak (The Pas):** Mr. Speaker, it is with sadness that I rise to inform the House of the passing of Ron McBryde. Ron was diagnosed as having leukemia

on May 22, and he passed away in Calgary in the Foot Hills Hospital yesterday. The former Member for The Pas served the Legislature from 1969 to 1981. He will be missed by his many friends in Manitoba and his wife and two children.

**Hon. Gary Filmon (Premier):** Mr. Speaker, I wonder if I may just have leave for a brief non-political statement.

**Mr. Speaker:** Does the Honourable First Minister have leave? (Agreed)

**Mr. Filmon:** On behalf of the Government caucus, many of whom sat with Mr. McBryde in this Legislature, I might indicate that we share the sorrow and the sadness expressed by the Member for The Pas. We will suitably recognize Mr. McBryde's service at such time as the motions of condolence come forward later this Session.

**Mr. James Carr (Fort Rouge):** Mr. Speaker, do I have leave to make a brief non-political statement?

**Mr. Speaker:** Does the Honourable Member have leave? (Agreed)

**Mr. Carr:** Mr. Speaker, I would like, on behalf of the Liberal caucus, to add our voice of condolence to the family of Mr. McBryde. Although none of us sat in this Chamber with him, he was certainly known to many of us for his reputation. He was an outstanding Manitoban, and we wish the best for his family. We would like to join in the expression of condolences today.

**Mrs. Gwen Charles (Selkirk):** Mr. Speaker, may I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Member for Selkirk have leave? (Agreed)

\* (1430)

**Mrs. Charles:** Continuing on the sad note, Mr. Speaker, I wish to stand today and invite others to express my deep sorrow and sadness at the events occurring in China with the continuing executions of students who stood for freedom and democracy. We who represent the essence of that through a free democratic process I think can appreciate as much as anyone the nerve and the heroism that took place to stand in defiance of an autocratic state. I would wish to express to all citizens in our province of Chinese origin, to all visitors in the country as well, that we extend to them our sympathy and sorrow, as well to the families definitely involved in this circumstance.

I would ask, on behalf of this Legislature, that perhaps we could consider asking the country of Canada to extend all possible help to citizens wishing to stay in Canada for their protection, and most of all may we consider and take time in our day today to think of those who have stood for freedom and are losing all they have for the essence of their cause.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Yes, might I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Minister have leave? (Agreed)

**Mrs. Mitchelson:** I want to add to the comments of the Member for Selkirk (Mrs. Charles) and indicate that I think all Members of this House—it does not matter what political Party—have to be very thankful, Mr. Speaker, for the opportunity we have in this great country of ours, Canada, to speak out and say what we feel without any threat of being violently attacked in any way. Our hearts have to go out in sympathy to those in other countries who are not as fortunate as we are to have the freedom to speak, the freedom of Assembly, the freedom of choice without any severe repercussions.

We all should join together and extend whatever we can, as a province and a country, to those in other countries that are less fortunate than we our sincere feelings, and any help that we can give as a country to ensure that they are safe when they are away from the country, that they should not have to be forced to go back to an unhealthy and unstable situation.

We, on the Conservative side of this House, want to join with all Members I am sure to I suppose hope that things can improve. I sense that in China it is going to be a long time before they have the opportunity to experience what we do in this country. We want to extend and think about those kinds of things on a daily basis as we conduct our affairs. We can, as a matter of fact, agree to disagree on certain things and still live in harmony in this country and this province.

**Mr. Gary Doer (Leader of the Second Opposition):** Yes, I would like to join—leave for a non-political statement, please.

**Mr. Speaker:** Does the Honourable Member have leave? (Agreed)

**Mr. Doer:** I would like to add the voices of the New Democrats on this very important issue, Mr. Speaker. It is horrifying, to say the least, for all of us to have watched the last three weeks of events in China that has culminated in the beginning of a reign of terror that we know in our democracy not of, a reign of terror that had unilateral slayings, a reign of terror that had unilateral arrests, a reign of terror that is having unilateral trials, executions with very little right of appeal.

One would suspect, and hopefully it is not true, that it will continue on in a totalitarian way to attempt to expunge the light and extinguish the light of hope and democracy that was expressed in the world some month ago.

Mr. Speaker, we join with the Chinese community in Canada and Manitoba and the students in this country in terms of support, but I also say in this House that we will have to evaluate very strongly as Canadian citizens our equal and measured response, in terms of our activity with the country of China. I hope as we respond to the totalitarian action and the unilateral executions of people standing up for democracy that we are prepared as a country to put our principles first and our economic activity with China second, and that

we are prepared to take a strong and unequivocal stand on this issue, as Canadians, because that is what we believe in, a democracy with rights. We do not believe in a totalitarian state with executions. We will have to speak with our principles, not just with resolutions and words. I would hope that we act in a measured way in dealing with this very, very unfortunate circumstance in our world. Thank you very much.

**Mrs. Iva Yeo (Sturgeon Creek):** May I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Member have leave? (Agreed)

**Mrs. Yeo:** Following two such speeches of a very serious nature, I wonder if I could perhaps come on with a lighter vein. One of the most enthusiastic and energetic activities has been taking place in my constituency for the last couple of days, Mr. Speaker, and I am referring to the 55-Plus Games.

In discussing their involvement with the participants in these activities, many of them have said to me that they were very active little leaguers long, long ago, and after moving into the whirlwind of home and family and work activities, they had to relinquish some of their sporting activities, and their abilities seemed to suffer somewhat.

They are saying that now they can move, once again with vim and vigour, now that their life has settled down somewhat and their home responsibilities are somewhat less, that they can move into these activities with a lot of vim and vigour. The lift and the inspiration that I personally receive from these very busy, happy, active individuals certainly makes me look forward to the not too distant future.

The base at Westwin is to be commended for providing such an ideal location for the games, a facility that enables both indoor as well as outdoor activities. Watching the runners, the dart throwers, the bowlers, the walkers, reminded me of my couple of years as a fitness instructor for a group known as Elderobics. It also reminded me of a quote by Ralph Waldo Emerson: "Nothing great is ever achieved without enthusiasm." Thank you, Mr. Speaker.

## COMMITTEE CHANGES

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I have a committee change. I move, seconded by the Honourable Member for Transcona (Mr. Kozak), that the composition of Standing Committee on Industrial Relations be amended as follows: the Member for St. Vital (Mr. Rose) for Osborne (Mr. Alcock); the Member for St. James (Mr. Edwards) replacing the Member for Fort Rouge (Mr. Carr).

**Mr. Edward Helwer (Gimli):** Mr. Speaker, I also have a committee change. I move, seconded by the Member for Lac du Bonnet (Mr. Praznik), that the composition of the Standing Committee on Industrial Relations be amended as follows: McCrae for Manness; Driedger for Praznik.

## ORDERS OF THE DAY

**Hon. James McCrae (Government House Leader):** Mr. Speaker, I move, seconded by the Honourable Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), 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.

Mr. Speaker, Agriculture in the Chamber; Highways in the committee room.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Highways and Transportation; and the Honourable Member for Burrows (Mr. Chornopyski) in the Chair for the Department of Agriculture.

\* (1450)

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HIGHWAYS AND TRANSPORTATION

**Mr. Chairman (Harold Gilleshammer):** We will call this meeting to order to consider the Estimates of the Highways and Transportation Department. We left off last day on No. 2. Operations and Maintenance, (d) Bridges and Structures: (2) Other Expenditures, \$95,100—the Honourable Minister.

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Chairman, before we get into that, I had taken certain questions as notice, and I am prepared to table information for the critics.

There was a question that was raised on the dust control treatment, calcium chloride versus lignum sulphate. I have that information here which indicates how much we have used. Also, I have on the second page, these conclusions and some recommendations that we have here. I would like to table one for each of the critics.

Further to that, Mr. Chairman, I also have information here which is dealing with the cost of implementing interprovincial weights and dimensions. Costs will be incurred in upgrading existing bridges on the system not able to carry the new interprovincial weights. I have some of that information and I would like to give a copy to each critic.

I have two further pieces of information here, one dealing with private rentals. The information that I will be showing here indicates the amount of private rentals during the last five years. I will give a copy of that information to the critics involved. The final piece of information that I have is information regarding the Department of Highways and Transportation, Summary of Consultants presently engaged by the department in Bridge Design and Evaluation Work. We have the consultant's name, the type of work performed and agreement completion dates. I would like to table those as well.

**Mr. Ed Mandrake (Assiniboia):** Mr. Chairman, before we go into Estimates, I would like to ask the Minister just one question. In his annual report, there is a section which states Studies and Statistics section. Does that come under Planning and Design? From what I could see in your book, Mr. Minister, it is, but I might be wrong.

**Mr. Albert Driedger:** Mr. Chairman, the Member is correct. It comes under Planning and Design.

**Mr. Mandrake:** I will start by asking the Minister what planning and design has his department put in place for the by-pass in Headingley?

**Mr. John Plohman (Dauphin):** Just on a point of order.

**Mr. Chairman:** The Member for Dauphin.

**Mr. Plohman:** Are we not dealing with Other Expenditures under Bridges and Structures?

**Mr. Chairman:** Just for clarification, we are on 2.(d) Bridges and Structures: (2) Other Expenditures, \$95,100.00.

**Mr. Plohman:** Yes, Mr. Chairman, the Planning and Design comes as No. 3. We have to go through Transport Compliance, District Offices and Other Jurisdictions yet, before we get there.

**Mr. Chairman:** Maybe we could revert to Other Expenditures.

**Mr. Mandrake:** Under Transport Compliance, could the Minister please explain the note, (2) Recoverable from Canada, you have now a total expenditure of \$2,142,900.00. Does that include that \$90,000 that is recoverable from Canada, or is that over and above?

**Mr. Chairman:** I believe we are on another section of the—we are on 2.(d)(2) Other Expenditures.

**Mr. Mandrake:** I thought everything was passed.

**Mr. Chairman:** No, we are still on 2.(d)(2).

**Mr. Plohman:** Mr. Chairman, I was just going to clarify for the Member that we had not dealt with Other Expenditures. I do not have a question on Other Expenditures. I have one on (3) Bridge Maintenance.

**Mr. Chairman:** Item 2.(d)(2)—pass.

2.(d)(3) Bridge Maintenance, \$863,000—the Member for Dauphin.

**Mr. Plohman:** Mr. Chairman, this is a rather substantial amount. Is there any major work on bridges in this section and, if not, what is the upper limit of expenditure on any one bridge in this \$863,000.00?

**Mr. Albert Driedger:** Mr. Chairman, that figure represents basically maintenance, repairs on bridges, the sandblasting and painting of bridges, and we have

approximately 2,800 bridges in the province. There is an ongoing program of general repairs. The Member asked, what is the maximum that we would classify under repair before it is considered capital. I do not know whether there is specifically a range. By and large, construction or capital would be when we do a major undertaking. This would basically deal with just general repairs.

**Mr. Plohman:** Mr. Chairman, for example, would you do redecking of a bridge under this section, or would that be under capital?

**Mr. Albert Driedger:** I am told, Mr. Chairman, that is under minor structures we would do the decking. On major bridges that would be a capital undertaking. So there is sort of maybe a discretionary call when it would be, depending on I suppose the size of the bridge and the amount of work involved when we talk of decking. But other than that, I think there is a little bit of leeway I assume in terms of when it is Maintenance and when it comes under the capital.

**Mr. Plohman:** So that the only bridges that would be replaced or major work done on them would be in the Capital Program that we would see there. There is no other allowance or allocation of dollars for bridge, major repairs on bridges, or is there—repairs or replacement?

**Mr. Albert Driedger:** Mr. Chairman, we have another \$700,000 that we have under Maintenance, under Construction, but that is dealing with smaller bridges, under emergency situations where a bridge maybe goes down because of an accident, because of some fault, whatever the case may be. There is another pot of \$700,000 that deals with those kinds of things.

**Mr. Plohman:** Mr. Chairman, that was under the Maintenance section of the \$54 million Maintenance Program that we passed earlier?

**Mr. Albert Driedger:** Mr. Chairman, no, the \$700,000 is under the Capital Construction Program.

**Mr. Plohman:** Thank you, Mr. Chairman.

**Mr. Chairman:** 2.(d)(3) Bridge Maintenance, \$863,000—pass.

2.(e)(1) Transport Compliance: Salaries and Wages, \$1,748,100—the Honourable Minister.

**Mr. Albert Driedger:** I believe before the Member for Assiniboia (Mr. Mandrake) raised the question under this section about the \$90,000 recoverable, I want to indicate to him that is the federal portion of the National Safety Code costs.

**Mr. Mandrake:** What I am trying to say is, is it included in the gross figure that you have listed in here, the \$2,142,900, now with minus \$90,000.00? It would be a lot less, would it not?

\* (1500)

**Mr. Albert Driedger:** Mr. Chairman, I am not quite sure if I understand the question here.

**Mr. Mandrake:** \$2,142,900 is being expended, the total expenditure for the end of the year. Does that figure include the recoverable from Canada of \$90,000.00?

**Mr. Albert Driedger:** I understand. The \$2,142,900, that is the full capital expenditure, and it includes the \$90,000.00. The \$90,000 is then recovered and goes into general revenue.

**Mr. Plohman:** Mr. Chairman, could the Minister indicate what portions of the National Safety Code remain to be implemented in Manitoba, whether any further legislative changes are required?

**Mr. Albert Driedger:** Mr. Chairman, I would like to indicate to the Member that actually comes under a different section. However, we will have a sheet prepared which will indicate various stages of implementation. There is no further legislation required to implement the National Safety Code. In fact, we are just in the throes of proclaiming as of July 1 further portions of the National Safety Code, and under the section that deals with Driver Vehicle and Licensing, Mr. Coyle's department. I will table the information on that to bring an update as to exactly where we are at with the National Safety Code.

**Mr. Plohman:** The other area is the Weights and Dimensions Program. Is that now fully implemented in Manitoba and in all other provinces as well? If not, which ones have not, if the Minister has that information? What is the status of Manitoba's implementation? I also want to ask the Minister how the discussions have proceeded with the City of Winnipeg with regard to the implementation of increased weight limits because of the changes that were made nationally?

**Mr. Albert Driedger:** Mr. Chairman, the Weights and Dimensions Program is implemented right now. However, we have until 1992 to make sure that we have all the roads and structures up to standard to be able to carry those kinds of weights. At that time, there would be no restrictions. We have certain construction that is under way right now in terms of bridges. By 1990, we are supposed to be having no restrictions on any of these bridges.

**Mr. Plohman:** I had also asked about whether other provinces are complying with this implementation date as well. I would like an answer on that. The Minister mentioned 1990 for provinces having all their designated routes up to par, up to standard. If that is not possible, it would seem with a major structure such as the one over Portage Avenue at the Perimeter, could the Minister elaborate on that?

**Mr. Albert Driedger:** Mr. Chairman, it is my understanding that what is meant by 1990 is that we would be able to handle the traffic so that there would not be a restriction on it. In the case where we have a potential problem like the Portage West—am I correct?—that we would be able to route traffic in such a way that there would be no restriction on that.

**Mr. Plohman:** So, Mr. Chairman, what the Minister is saying is that on the sheet that he has given us, the

cost of implementing into provincial weights and dimensions, \$9.65 million, that all of those particular projects listed will not be completed obviously by the end of the 1990 construction season, but other provisions will be made. The Minister is saying that he has been given additional time to actually get the work completed.

**Mr. Albert Driedger:** Mr. Chairman, that is correct.

**Mr. Plohman:** Mr. Chairman, what about the impact on the City of Winnipeg? Where is that at? I understand that there are a lot of structures that would be affected by this if they were to implement the higher weights in the City of Winnipeg. Has that been done? Has the City of Winnipeg now approved all of the changes that were approved by the Province of Manitoba? Are they going to apply to the City of Winnipeg? Are there going to be exemptions, or what is the status of that?

**Mr. Albert Driedger:** Mr. Chairman, first of all, let me indicate that there has been major concern expressed by the Manitoba Trucking Association in terms of the routing within the City of Winnipeg. At the present time, we have the Perimeter around the city. There are certain routes designated which allow flowing of traffic from one industrial area to another, but they have to circumvent the structures in many cases. We are discussing with the City of Winnipeg and have not completed, but we are close to completion in terms of making an agreement, in terms of having the studies done as to which structures will be able to carry certain weights so that possibly routes could be rescheduled.

There is a major concern by the city, but we have good dialogue going with them as well as with the Manitoba Trucking Association in terms of trying to alleviate the problem. However, I think the Member, having been involved in this himself, knows full well there are long-term implications in terms of, first of all, doing the study. Then if the structures are found to not be able to carry those weights, that is why the present system we are using whereby if we cut a pie of the city, that they have access to the Perimeter, can use our provincial routes to cut into a different area. But at the present time, as the Member is well aware, they cannot necessarily use some of the bridge structures within the city limits.

**Mr. Plohman:** I am aware of that and there is really a big problem there. That is one of the reasons why we wanted to have the implementation postponed until some of these things could be worked out, in Manitoba's case particularly, because Winnipeg is a separate jurisdiction with regard to this. We cannot really deliver for the City of Winnipeg when we agree with the other provinces. That could be rectified with legislation, of course, but there would also be the consequent political implications of doing that.

That means there are enormous additional costs that will be identified in these studies, in addition to the \$9.6 million to the province as a whole or to the City of Winnipeg which is another jurisdiction within the province. Would there be any way of quantifying those costs at the present time and, if not, would they be determined from these studies?

Secondly, at the present time, are there any serious logistical problems taking place because of this, with trucking firms having to offload at the Perimeter and so on, because they cannot bring in those loads that have been designated on our highways?

\* (1510)

**Mr. Albert Driedger:** Mr. Chairman, the Member asks for a figure as to what the costs would be to the city in terms of upgrading the structures. We are negotiating with the city right now in terms of the cost sharing to have that study undertaken.

In the meantime, the unloading aspect of it is not necessarily a problem at this stage of the game because we have certain routes where they can come into their main base. The problem that we have right now is the transportation inside the city from point to point.

I would like to indicate that we realize, I think everybody realizes what the problems are, the trucking association, the city, as well as ourselves as a province. We are having good dialogue and we think that we can come to agreements in terms of how these things should be done, in terms of cost sharing, which structures have to be considered, how we can do the routing. It is not going to be an overnight thing. It is going to take a fair amount of time to be able to do that, but we are certainly trying to give every consideration to our trucking industry in terms of trying to make it easier for them, because our position is now as it was in the past, that we are very concerned about the impact of our transportation industry on the economy in Manitoba. We are trying to comply within reason as fast as we can in terms of making it easier for them.

**Mr. Plohman:** One last question on this, the Minister is insinuating, I would say, that the province is going to have to foot part of the bill for upgrading these routes and structures to meet these dimensions, these new weights and dimensions. I do not expect him to say that he is at this time, because that is a matter of negotiations and to what degree. I would think that is an area that the city will obviously expect the province to do so. I would wonder whether they have indicated that the basis for their discussions will be that there will be some cost sharing from the province?

**Mr. Albert Driedger:** Mr. Chairman, that is why part of the negotiations that are taking place right now deal with the study itself. If we participate financially in this study, it could be conceived that we are committed to participate financially in the structures, and really that is not within our jurisdiction. This is why we are trying to find some common ground, because we do not feel that it is within our responsibility as a province to get involved in these kinds of commitments for their structures.

We have enough difficulty with our own, within the province, that we do not necessarily want to participate with some of the structure upgrading within the city. However, I might say that our discussions even with some of the other projects surrounding the city are positive. It is not an antagonistic kind of discussion that is taking place, we are working.

The Member for St. Norbert (Mr. Angus) just left, but he raised a question of Highway 75. There are various aspects of cost sharing and arrangements that we are trying to work with them. I have to indicate that the dialogue is relatively positive, the relationship is relatively positive. We are trying to make it work.

**Mr. Plohman:** One additional question then, the national highways policy that is currently being pursued by the provinces, in which the Deputy Ministers are very much involved in this Province of Manitoba through the Minister who has expressed support, as I did and our Government did before, to try to get some fair sharing by the federal Government, I ask this at this time in this context. If routes have been identified that would be considered cost shareable by the federal Government, and would that alleviate any of the cost burden that might take place as the results of the weights and dimensions increases in the City of Winnipeg?

**Mr. Albert Driedger:** First of all, I should clarify this. The negotiations with the city in many cases take place through my colleague, the Minister of Urban Affairs (Mr. Ducharme). We have a committee there that is set up and they are doing most of the negotiations.

Further to the national highway route, we have an agreement between all the provinces in terms of an established route. That was Phase 1 and the federal Minister, I believe, has accepted that as well. Phase 2 now is to establish the costing, where the money is coming from, how each province has spent—

**Mr. Plohman:** My question is—

**Mr. Albert Driedger:** I am getting to the answer. I was just trying to give a little bit of background . . . go into this in detail. I am very excited about it. However, under that program, there is no provision to address the shortcomings within the City of Winnipeg and their structures.

**An Honourable Member:** There is.

**Mr. Albert Driedger:** There is not.

**Mr. Plohman:** Oh, okay. Thank you, Mr. Chairman.

**Mr. Ed Mandrake (Assiniboia):** In my travels, I have spoken to several truck drivers. They are informing me that there are a lot of carriers who are carrying dangerous goods on their vehicles and going through the weigh scales. They are not being inspected because they do not have the identification on the vehicle. As per the regulation, are you supposed to have an identification on the front and the back?

**Mr. Albert Driedger:** I believe it is part of our regulations that anybody carrying hazardous goods has to have them properly identified. If they are doing a sneak-in, our inspectors, when they do their inspections, are going to catch them. They will be dealt with accordingly.

I would like to think though that the majority of our commercial truckers, especially who make their living

at this, are very responsible. They know the weights, they know what the regulations are, and I do not think that too many of them would deliberately try and circumvent the regulations that are in place.

**Mr. Mandrake:** On the same topic, Mr. Chairman, if there is, is there any criteria by the inspectors who check the trucks as they go through there randomly, or they only check when they have a suspicious feeling that the vehicle is not right or not carrying the proper commodity?

**Mr. Albert Driedger:** Under the National Safety Code that is in place, we will do our spot checks at random throughout the country. Nobody really knows when they will be stopped and checked on this thing. I have to indicate that our inspectors are all trained in terms of hazardous goods, etc. They are quite qualified and know what they are doing.

**Mr. Mandrake:** Just one final question, please, last year when we were discussing Bill 21, the Minister had provided me with a regulation over and above Bill 21 as to the hours of service. Has that regulation been put in place now, or what is the status of that regulation?

**Mr. Albert Driedger:** Mr. Chairman, I would like to indicate that the Government has just given approval to certain aspects of the National Safety Code that we will be proclaiming, and then we will be coming forward with the regulations any week now in dealing with hours of service, as well as a few other items in there.

**Mr. Plohman:** Well, we will want to ask more questions about the Safety Code when it comes under the Motor Vehicle Licensing, as the Minister indicated.

I wanted to ask something about the Transportation of Dangerous Goods Program. The Minister is aware now, if he was not before, that his colleagues, the Minister responsible for Workplace Safety and Health (Mr. Connery) and the Minister responsible for Environment (Mr. Cummings), have made some changes in regulations for labelling of goods. Carcinogens, for example, are no longer labelled specifically as to their specific chemical. They are using generic labelling, which is a serious concern to us. Our Leader, Gary Doer, has raised it a number of times in the Legislature.

My question to the Minister is, how does that impact on the transport of these dangerous commodities because they have to be transported, and yet they are not apparently labelled properly according to the changes made by this Government? Will that mean that the transportation of these particular carcinogens are in violation of the Dangerous Goods Regulations that have been established by the federal Government and the provinces over a number of years and now implemented by all jurisdictions?

\* (1520)

**Mr. Albert Driedger:** Mr. Chairman, I would like to indicate that all chemicals have to be labelled now and there has to be an inventory kept of everything that goes on. I am talking of the Department of Highways

and Transportation. Any chemicals that we deal with are all labelled right now and kept, and there is no change from previous in terms of how the department deals with chemicals within their department.

If the Member is asking the impact or if there is any change in terms of the trucking industry itself hauling chemicals or hazardous material, I do not have the answer for that. I just know that from the department, we have had no change and the department has been very aggressive. They have been very positive in terms of how they have been dealing with this in the past. I am very concerned about it and that is why I repeat again that all chemicals within the department that the department has any jurisdiction over are all labelled and inventories kept, and there is no change in the way they do it.

**Mr. Plohman:** Mr. Chairman, I appreciate that the Minister is concerned and I hope he would be. I am concerned and I think all Members are very concerned about the transportation and handling of dangerous goods, particularly the identification of those dangerous goods, in this case, changes having been made by Workplace Health and Safety as to those in storage and handling.

So the question was, does this affect the transportation of those goods? I would think, if they are not labelled specifically for storage but they must be labelled for transportation, that there is really no advantage to the companies with the changes in terms of regulations. But I would like the Minister to find out whether, in fact, those changes that were made by his Government are going to impact on the regulations that are there for transportation of those same carcinogens. If they are, that means that there would be further implications that maybe have not even been contemplated yet by the Minister.

**Mr. Albert Driedger:** Mr. Chairman, I will try and answer it as best I can. The department has to label everything. Trucks have to be properly identified in terms of units that move any of the hazardous chemicals, and the inventory is kept of all this material, wherever it is moved from, as far as the departments are concerned. That is why I raised the question before.

Is the Member referring to other hazardous goods that are being hauled by, let us say, commercial haulers? We have the regulations in terms of compliance where we do the checking and they have to adhere to that. There is no change in that respect. If there is any change, and we certainly are not changing anything from the Highways and Transportation end of it, in terms of how we handle chemicals, but if there is any change in the commercial hauling of it, I do not think I have that information for you because there is nothing that has really changed in our department, in terms of the way hazardous goods are handled.

**Mr. Plohman:** I think the Minister might want to check that out, because certainly Workplace, Health and Safety have changed their regulations for levels of these chemicals in the workplace and the labelling of those containers and the emergency procedures and so on.

These have all been changed by regulation by this Minister's Government.

The question is, how does that impact on the transportation of these dangerous goods? I would think that the Minister may not have the answers now, but he might want to get a circular from the other Ministers, from the other departments, and find out, get assurances from them that there will be no impact if that is in fact the case, or is it an area that maybe is still to come up in terms of a problem area with these changes, if in fact they are implemented as they were envisaged by this Government?

The Premier has indicated that he is reviewing that now and that maybe they will be changed back, but in the meantime the new regulation stands and I am attempting to find out whether it impacts on the transportation of those same goods that have been changed now insofar as how they are handled in the workplace.

**Mr. Albert Driedger:** Mr. Chairman, I can indicate to the Member that there is no change in terms of how the department or our compliance officers treat the transportation of hazardous goods, in terms of they have to be properly labelled, they have to be properly contained, properly marked. When our compliance officers check them, they know exactly what they are talking about. So there is no change in terms of how our compliance officers deal with the hauling of hazardous goods.

**Mr. Plozman:** Perhaps there has not been up to now, but wait till they are challenged on it, because if there are some changes made in terms of the labelling, it is very possible that the compliance officers in this Minister's department have not been advised of those changes yet. That is why I am asking these questions, because these changes were just recently made and they have far-ranging impacts and we want to know whether in fact there has been a communication with the other departments as to how this affects them. It is not just good enough to say, well, there is no change. We want to know, if there is not, whether there has been in fact information provided to the department by another department that in fact there is no change and it does not impact in any way on the way this department conducts its business.

**Mr. Albert Driedger:** Mr. Chairman, I would have to indicate that, to date, there has not been any change. There has been no indication of change coming but we will check and see whether there is any contemplated different direction coming forward. We are certainly not aware of it at this time and, personally, I do not anticipate it but I will make sure and check with the various other departments to see if there is any contemplated different direction coming down.

**Mr. Plozman:** Just finally, I would ask the Minister to check with Environment, with his colleague and Workplace Safety and Health to determine this very clearly and provide us with that information at the next sitting if he is able to.

**Mr. John Angus (St. Norbert):** A brief question, the Minister may have addressed this already, but the

question—I have done an awful lot of travelling to urban centres in North America and the majority of them, as you approach the city, there are signs that indicate that transporters who are transporting dangerous goods are designated to follow specific routes. I recognize that the trucking industries have routes that they go on and they transport them, but I do not understand how a new driver who is transmitting dynamite or gasoline or anything of that nature knows what roads he should go down or what roads he should not go down.

It seems to me that the question is, why have you not looked at putting on the Perimeter Highway, on Highway 1 for instance where they come in or Highway 75 where they are coming in, truckers who are transporting dangerous goods follow—in Edmonton, they do it with a little symbol.

**An Honourable Member:** If not, why not?

**Mr. Angus:** Yes, if not, why not?

**Mr. Albert Driedger:** Mr. Chairman, I am told that when you transport hazardous material or dynamite, things of this nature, you need a special permit to do that. That permit designates specifically the routes that you are allowed to travel. I think the companies that do this kind of transportation are very much aware of it. They establish beforehand the routes that they would be allowed to travel when they handle these kinds of materials.

I do not know whether there would be an advantage to having signals up on, let us say, Trans-Canada, because you have the various arteries if we were going to address it as a random problem. By and large, the individual companies that haul this kind of material invariably know when they apply for their permit which routes they are allowed to travel on.

\* (1530)

**Mr. Angus:** Mr. Chairperson, this will be my final question and then I will leave it to the critic to follow it up if he thinks it is significant enough. The comment then is the signs are generally symbols that indicate that dangerous goods follow along a particular route, and they are designated to keep these trucks off of, out of, and away from residential areas and from people, but the signs show something else. They show individual motorists and/or driving public that these are designated dangerous routes, and it gives them an opportunity to avoid those particular routes if they want. So it is a two-way message that is being given in a very simple and, it seems to me, a very inexpensive method.

I often wondered why this is not done in Manitoba, to direct these transports away, and to give the general motoring and living public a bit more comfort, if you like, and degree of knowing that those types of things are taking place. With that, it is not really a question, Mr. Chairman, to the Minister. I will leave it with him as the Minister of the department to deliberate and decide whether he wants to do it or not.

**Mr. Albert Driedger:** I would just like to indicate that staff has been looking at that possibility. I am prepared to say I would like to compare it and see what other provinces do. You have to accept the fact that the towns, cities and villages all have their own traffic authority where they can designate some of these routes, so it is not quite that simple to do. I appreciate the suggestion, and staff has indicated we have already started looking at some.

**Mr. Mandrake:** Mr. Chairman, I thank the Minister for the answer on those signs because in fact I was going to bring it up myself. The only question I have and that is that presently Manitoba has got, if my memory serves me right, under Dangerous Goods, which the department has brought out, I think it is a hundred-and-a-few list of dangerous products, yet the federal Government has got something close to 900. Which one is the Manitoba Government or the Highways and Transportation going to use to identify the dangerous products, the Manitoba one or is the regulation going to be from the federal?

**Mr. Albert Driedger:** Mr. Chairman, I do not know.

**Mr. Mandrake:** At least he is honest.

**Mr. Albert Driedger:** We have our Manitoba regulations that our compliance officers, by and large, have to deal with the Manitoba regulations. Those items that are listed as dangerous goods within the province, that is what our compliance officers are working with. How we deal with the federal issue, I do not know. I will find out, the hazardous goods that are listed under the federal directory. Mr. Chairman, I am told that we have to comply with the federal list as well.

**Mr. Plohman:** As I understand it, the provincial regulations and federal regulations were developed together in consultation, and the identification of all those hazardous lists were compiled together through working committees and so on. The provincial list includes the federal list and therefore it all applies, which would be consistent with what the Minister just said insofar as dealing with all of those products listed in the federal list as well as what is in the provincial list.

I do not even know why there would be a need for another provincial list, unless it expands further than the federal list. You would think the federal list would be all-exhaustive. It would be something I would think the Minister could identify for us as to why indeed there is a provincial list. Does it go further than the federal list? If so, why does the federal list not include them as well? Maybe there are just some amendments that have to be made to the federal list as times goes on. This is obviously something that would have to be added to each year as new products are identified and reviewed. Perhaps the Minister could provide some information on that.

**Mr. Albert Driedger:** I will acquaint myself with all the information I can on this issue and come back with it.

**Mr. Chairman:** Shall the item pass—pass.

2.(e)(2) Other Expenditures \$394,800—the Member for Dauphin.

**Mr. Plohman:** Just one other question on this area, Mr. Chairman, there are 56 staff, no increase, and yet the compliance has been increased. I would think the burden of compliance has been increased because of the Safety Code and The Dangerous Goods Act having been proclaimed recently. Is the Minister able to continue to do a satisfactory job without adding additional compliance officers here?

**Mr. Albert Driedger:** Mr. Chairman, I would have to indicate to the Member that under Driver and Vehicle Licensing there has been some additional staff added for the implementation and inspection under the National Safety Code. Basically, we have three teams with three per staff, which are the roving teams that do the inspections so there is sort of, not necessarily confusion, but part of it comes under the compliance aspect of it here and part of it comes under the Section No. 6. Driver and Vehicle Licensing.

**Mr. Plohman:** I would like to get at that time then an overall report as to how the department is coping with the additional burden, and whether indeed it is able to cope with existing staff to do the job. It was my understanding that there would be rather substantial numbers required as these new programs were fully implemented. I just wanted to get some clarification when we discuss it under that other section.

**Mr. Chairman:** Shall the item pass—pass.

2.(f) District Offices: (1) Salaries and Wages \$8,188,300—the Member for Dauphin.

**Mr. Plohman:** Mr. Chairman, there is a program, Grant-in-Aid, and Local Government District Roads. Has that program been developed and approved by the Minister at this point?

**Mr. Albert Driedger:** Yes, the program has been approved, but that is under Related to Capital, under Section 8., Aid to Cities, Towns and Villages; Work in Local Government Districts and Unorganized Territories; and the new program, Municipal Bridge . . .

**Mr. Plohman:** Okay, thank you. We will just deal with it there then, thank you.

**Mr. Chairman:** 2.(f)(1) Salaries and Wages \$8,188,300—pass.

2.(f)(2) Other Expenditures \$909,500—the Member for Dauphin.

**Mr. Plohman:** Mr. Chairman, before we pass that, I wanted to ask the Minister whether the districts have—it follows up on the other questions I had the other day about tendering versus hourly.

There has been a rather substantial change in the dollars that have been spent on private rentals on an hourly basis in the last five years, from some over \$9 million in '84-85 down to \$4 million to \$5 million, and

then last year was an exception, I understand, because of some unusual circumstances—almost cut in half. At 15 percent savings on that work, it would indicate some \$600,000 saved per year, it would seem to me. I do not know if that figure would be right on that 50 percent reduction, because it would be tendered—50 percent of that \$9 million would be tendered—and you incur a 15 percent on average saving, so that it would be about \$600,000 per year saved on \$4 million each year because of the program to move to tendering rather than hourly, as was previously done to that extent.

Are all of the districts now working on the new rules that were applied—and I should not say new, I guess—in '85-86? Have they been evaluated and are all the districts continuing to be satisfied with that system of tendering or are there some changes contemplated there, because it was done rather quickly, and there is always room for evaluation of these programs?

\* (1540)

**Mr. Albert Driedger:** Mr. Chairman, the system seems to be working well. The Member knows there is a great deal of this private rental work that is not suitable for tendering because of the nature of the kind of work that is being undertaken.

There where it is possible, I think the districts feel comfortable with it. It seems to be working well. So I think, based on the results that we have had, that we would certainly continue along that line, providing, like I say, there is certain work that is maybe not suitable for tendering at the present time which our crews undertake.

**Mr. Plohan:** When the Minister says that certain work is not suitable for tendering, does he mean that it is smaller than \$10,000 in magnitude or does he mean some other reasons why it is not suitable?

**Mr. Albert Driedger:** Some of the work is very minor. Some of it is of short-term duration and it is spread across the province. Sometimes it is of an urgent nature where we have not got time to go through the process. For example, maybe there is a faulty bridge or something like that, that needs immediate attention where the tendering process would take too long. These are sort of the things in a general basis. It is very hard to define specifically. I use the bridge as an example, but there are other things that maybe, because of the urgency, time involved, the minor nature, that it does not lend itself to tendering.

**Mr. Plohan:** Mr. Chairman, I understand that. It was just a question as to whether the \$10,000 threshold was still the one that was applied under most circumstances.

**Mr. Albert Driedger:** Yes, it is.

**Mr. Plohan:** Okay. Thank you, Mr. Chairman.

**Mr. Chairman:** Shall the item pass—pass.

Item 2.(g) Other Jurisdictions: (1) Gross Expenditures \$5,587,000—the Member for Assiniboia.

**Mr. Mandrake:** I will just go down to No. 3, Mr. Chairman. Would the Minister again explain to me the Recoverable from Canada, \$150,000, is that included in the \$1.922 million?

**Mr. Albert Driedger:** Mr. Chairman, the figure on the right-hand side, \$1.922 million, is a total expenditure. Out of that, if the Member can see under Recoverable from Other Appropriations, this is work that we undertake for villages, for Local Government Districts, wherever we do some work where we charge the work to that community or organization or to other departments. It could be Natural Resources, and the \$150,000 is part of the total amount which we recover from the federal Government.

**Mr. Chairman:** Shall the item pass—pass.

(g)(2) Less: Recoverable from Other Appropriations, \$3,665,000—pass.

Resolution No. 73: Resolved that there be granted to Her Majesty a sum not exceeding \$75,271,300 for Highways and Transportation, Operations and Maintenance, for the fiscal year ending the 31st day of March, 1990—pass.

Item 3. Planning and Design and Land Surveys: Establishes design criteria and plans for the development of a primary and secondary road system, (a) Planning and Design: (1) Salaries and Wages, \$1,824,500.00. Perhaps the Minister would like to introduce his new staff.

**Mr. Albert Driedger:** Ladies and Gentlemen, Mr. Ken Jardine.

**Mr. Chairman:** Item 3.(a)(1)—the Member for Assiniboia.

**Mr. Mandrake:** We have had discussions with the Minister on this particular issue, the by-pass for Headingley. Back in 1983, representations were made to then the Honourable Mr. Uskiw about this, and the residents of Headingley were very opposed to this by-pass. Is this by-pass still in the planning stage or has it been cancelled? What is the status of it? If it is in the planning stage, have they done any acquisition of land, rights-of-way, etc., whatever is required for this by-pass?

**Mr. Albert Driedger:** Mr. Chairman, there was a study undertaken nine years ago on the Headingley by-pass. It has been sitting there for some period of time. At the present time, we are proceeding with doing an updated study on it. The basic plan has been approved in principle. We are starting to move in terms of trying to protect the land for the by-pass.

**Mr. Mandrake:** Mr. Chairman, on that by-pass, could he provide me with a copy of the design for that by-pass, and where is it going to be located?

**Mr. Albert Driedger:** I have no difficulty because we are not trying to hide anything. I would want to offer to the Member the possibility of maybe coming forward

together with staff and having a look at what has been designed to some degree.

The reason why it is not that simple to bring it forward and just present a copy to the Member is because we might have to clear off all these mikes here. I want to sincerely say because the Member represents the area and has some major concerns, has expressed them to me before that we will make provision to be able to have him come and maybe have a presentation done by staff as to what the study indicates what we are looking at doing.

**Mr. Mandrake:** We have gone through this back in 1983 and the previous Member for Assiniboia raised this back in '84. We are constantly hammering away at the previous Government, and now this Government. The people in Headingley are very, very upset about that by-pass, and that reason being why, because all we are doing is transferring the problem from the present highway onto the north side of the highway. Now, we have two arteries that could be used, one being the CN tracks on the south and the other one being the Saskatchewan Avenue.

Now, if we were a compassionate Government, we would look at those alternatives, but nobody seems to care about Assiniboia. Well, I am not going to tolerate that.

**Mr. Albert Driedger:** Mr. Chairman, lest the Member gets too vexed, I do not think the Member for Assiniboia (Mr. Mandrake) is an engineer and neither am I. I basically depend on staff. The Member says it has been studied since 1983. It has been obviously. What we are doing right now is updating it.

However, there are certain other problems developing with this. At the present time, we are not even sure whether Headingley will be belonging to the city or not. Now, that leaves—(Interjection)—

**Mr. Mandrake:** That is still in my area.

**Mr. Albert Driedger:** Well, regardless whether it is in your area or not, at least there is some concern if they do secede from Winnipeg and they would start developing residential developments in the area. It all has an impact as to how we treat this highway. I think after having waited nine years since the study was undertaken, I think that we would be irresponsible. We are updating it now, but I do not think that we would want to initiate any activity.

Certainly, I think it will probably lead to more cause to try and look at the by-pass which is, I believe, slated north of the existing route. If that would be the case that we will proceed in that, we would protect that area very diligently in terms of not allowing access into there to have the free flow in there, and let this present site or the present road be the commercial development where everybody has access into the city.

So it is not that cut and dried and simple in terms of saying well, you know, let us do the by-pass or not do the by-pass. There are many things involved at this stage of the game and certainly the fact that we are

updating it, looking at it very closely. I want the Member to come and have a look at exactly what is being proposed and the arguments for and against.

**Mr. Mandrake:** Mr. Chairman, I have just only one more question left, and then apparently the Member for Dauphin (Mr. Plohman) wants to ask something about this particular by-pass.

Mr. Chairman, this by-pass has been in the drawing stage since back in 1983. I appreciate what the Minister is saying, believe me. But the way the design was back in 1983, the way I had seen it—you know I am not an engineer—but the way it was designed at that time, it certainly did not meet with a proper criteria of the way it was designed. It was coming back onto the main road where the by-pass is, right onto the road in which way it is located right now.

So I wish that the Minister would please understand that when he says I get vexed about this, I guess I would get vexed about it because we are doing it right in my own area.

The other question being is that I do not know how many years it is going to take for the Minister to have this by-pass started or even contemplated. Would he offer me any kind of assurance that the highway between Headingley and the Perimeter be resurfaced to a point whereby at least it is driveable?

**Mr. Albert Driedger:** Mr. Chairman, I would have to indicate honestly that we have not designated that portion for resurfacing at this stage of the game. I do not know whether I am in a position to make a commitment on that—

**Mr. Mandrake:** Would you consider it?

**Mr. Albert Driedger:** We will look at it. We will look at it in view of exactly what has to happen in terms of whether we pursue a by-pass or not. I will accept some of the recommendations from the Member once he has had a chance to meet with staff, look at the options that our professional people have brought forward, and certainly maybe have some suggestions that we could maybe work at, at that time.

**Mr. Plohman:** Mr. Chairman, just on this particular issue, I noticed in the program that the Minister had west Perimeter Highway, west of Headingley, 6.4 kilometres complete functional design. Now he says he is just updating the study or something, but I think that when I was Minister I believed that this was not necessary or practical at that time, and that is one of the reasons why I did not pursue it. At one time, I thought it was and I had a complete report and all the maps that the Minister is referring to and looked at it, but I think we have to look at the reasons for this in the first place. That was the highway at that point.

\* (1550)

Perhaps it is not acceptable through an area that is populated, but if we look where Highway No. 1 goes through Winnipeg as it presently does, although we have the Perimeter, there are certainly a lot of areas

where you have to have a slowed speed limit and so on as we go through Winnipeg. Here the lower speed limit has resulted in pretty well dealing with the problem. I have not heard of too many deaths on that section of the highway in the last number of years as a result of the lower speed limit.

**An Honourable Member:** None.

**Mr. Plohan:** None as the Member says and I agree, I think that the problem has essentially been solved. I do not know that there is to be any major expenditure done at that point. At least, if there is a major rerouting, the Member probably has a point. Rather than putting a by-pass around Headingley, look at alternate routes into the city if at some point in the future that has to be done. I question why the Minister would even bother updating this study at this time and resurrecting this thing that has been a thorn in the side of people in Headingley when it is probably not the right solution anyway, at least in my mind.

**Mr. Albert Driedger:** Mr. Chairman, all I would like to indicate, as I did before, is that we are looking at updating the information that we have. We have requests from the city in terms of the ball park that is going to be established there. We have the applications for residential development taking place in the area. All these things have impact. It will be retained as status quo. Nothing would change that much in terms of the traffic on that route. A person could resurface it and leave it there but that is not the case.

There is a tremendous amount of pressure being applied and this is one of the reasons why Headingley is looking at seceding, because they feel that they want even more activity out there and that the city is controlling that end of it. I can indicate this, that there will not be any monies expended until there is some resolve to the present concerns that are being brought forward in terms of will they stay or not, and what is the development potential for the future in the area.

**Mr. Mandrake:** Mr. Chairman, back on September 20, 1988, I had asked the Minister to look at considering the elimination of the bridge connecting south Headingley on PTH No. 334. Of course, he told me that they are contemplating on redoing this bridge. I am just wondering, I do not see it in the plans as to any initiatives being taken in this field. Could the Minister possibly advise me today as to what his plans are in that field?

**Mr. Albert Driedger:** Mr. Chairman, I am very pleased to indicate to the Member that we are completing the survey and design and we will be doing the acquisition of right-of-way.

**Mr. Mandrake:** There are more problems in Headingley than that, Mr. Chairman. As I had raised the question in Question Period with regard to the ball park that is being constructed right now, the city has now passed a resolution that they can have up to 450 parking stalls there. That means 450 cars are going to be going past my house. That, I do not mind. What I am very

concerned with is how are they going to get into that ball park. I realize he is going to tell me the city has got to survey it first. Would he consider talking to the city and maybe offering a suggestion that they use an entrance from the lights at the drive-in? Talk to them and offer them a suggestion. Maybe this is what they need.

**Mr. Albert Driedger:** Mr. Chairman, I want to indicate to the Member that we are in discussion with the City of Winnipeg. Just further to the concerns that were raised before, one of the things they did not miss is that we are looking at establishment of the Red River Ex out in that area as well. There is tremendous pressure coming down in terms of how we deal with that, so there is dialogue going on. Our departmental people as well as the city departmental people are well aware of these things that are moving, maybe even before we become aware of them sometimes, and certainly are working very closely in terms of trying to address what could be done to alleviate some of the problems.

**Mr. Mandrake:** Sir, that lends to another question. That is exactly what I am trying to point out to this Minister. The by-pass is going right by or very close to the Assiniboia Downs. If we put Red River Ex out there on a permanent site, we are going to have to do some major modifications to that section of the highway because we are going to have increased traffic coming in there. I can live with that because we are going to have Red River Ex out there, but it is just that it may not work.

**Mr. Albert Driedger:** I am very concerned because at the rate the traffic is increasing there, I might not even go to the horse races any more.

**Mr. Mandrake:** Tell me about it. I live there.

**Mr. Jerry Storie (Flin Flon):** The planning that was to occur on the West Bakers Narrows Bridge I gather has been completed. I am wondering if the Minister can indicate what the planning indicates the cost of that structure will ultimately be.

**Mr. Albert Driedger:** Mr. Chairman, first of all, I would want to indicate to the Member that the Bakers Narrows Bridge is on the program for this year, and I accept the thanks and the gratitude from the Member for Flin Flon graciously for the fact that it is on there.

**Mr. Storie:** I have not given it yet.

**Mr. Albert Driedger:** Oh, I am sorry, I misinterpreted that. I would just like to indicate seriously though that one thing we are doing, we are trying to upgrade the bridge because we feel that from the time it was designed, our bridge people are now redesigning a little heavier type bridge so that it can take more traffic. We felt that from the time it was initially designed, I do not know how long ago it was, but we are upgrading the designing on it. It is still on the program.

**Mr. Storie:** I have been around long enough to know that starts to sound like this project may slide. I have

already acknowledged that the Minister of Highways (Mr. Albert Driedger) has approved this project. I very much appreciate it and the citizens of Flin Flon do. I mean that sincerely. My question though, is this redesigning likely to delay this project?

**Mr. Albert Driedger:** Mr. Chairman, no. In fact, we are planning—we believe that we will be tendering this project this fall and the cost of the bridge is \$2 million.

**Mr. Storie:** I would like to follow that the Minister unfortunately indicates that Flin Flon giveth with one hand and taketh away with the other. I just received a letter from the Minister—and I want to thank him for being kind enough to forward it to me personally—that informs me and the citizens of Flin Flon that the Flin Flon Motor Vehicle Branch will be closing.

\* (1600)

I want to say to the Minister that I am dismayed, I am shocked and I am frustrated, I guess, that this Minister has decided that a city the size of Flin Flon, one of the largest cities in Manitoba, does not deserve and the people of Flin Flon do not deserve to have first-class treatment from his department. He will be laying off people who have been employed in the department for 13 years in one case and for 17 years in another case, I believe. This is not acceptable treatment. I want the Minister to justify to this committee and to the people of Flin Flon this callous treatment of a major city and its citizens.

**Mr. Mandrake:** Mr. Chairman.

**Mr. Chairman:** Point of order?

**Mr. Mandrake:** Point of order, we are supposed to be going line by line. The Member for Flin Flon (Mr. Storie) does have a very, very valid point and I would never belittle him for asking that question, but I hope he would ask that question in the appropriate section of our Estimates.

**Mr. Storie:** On a point of order.

**Mr. Chairman:** On the same point of order, the Member for Flin Flon.

**Mr. Storie:** I appreciate the concern raised by the Member for Assiniboia. I recognize that this is somewhat out of order, but I am not a Member of this committee. I have other duties and other responsibilities, critic responsibilities. The committee does display leniency from time to time with respect to the ordering of questions, and I would ask for some leniency while I pursue this for a couple of minutes.

**Mr. Chairman:** I would thank Honourable Members for their input, and perhaps the Minister can just briefly clarify it for us.

**Mr. Albert Driedger:** Mr. Chairman, the unfortunate thing is that if we do this because—and I am not trying to evade the issue, I am prepared to deal with the issue,

but under Driver and Vehicle Licensing. I have my staff who can get the answers for you. I can give you a general statement on that, but I do not have my registrar here who is responsible for that department to give me that information. When we get to that issue, I want to try and provide the answers as to why, and I am prepared to discuss that. I am not trying to evade the issue.

**Mr. Chairman:** I thank the Minister. We will return then to Planning and Design: Salaries and Wages.

**Mr. Mandrake:** We are on to the by-pass kick today, Mr. Chairman. I was happy to see that the Minister took the initiative and did a study. I forget the name of the group that did this study for him on the by-pass for Morris. My question is, would he please tell me when we are going to be able to have the result of that study and where the route is going to be located?

**Mr. Albert Driedger:** The consultants are still conducting the hearings in the area there. They have not completed their hearing process and until they come forward, once they have completed that, have gone through that with staff, then they will come and make a presentation to myself. At that stage of the game, a decision will be made.

**Mr. Mandrake:** Just one last question on this and I appreciate the answer, could the Minister provide the critics with a copy of the questionnaire that was being sent out and whatever these consultants are asking the people, so that we know what they are being asked, particularly the questionnaire that the Minister had made mention of when he sent out the newsletter?

**Mr. Albert Driedger:** I have no difficulty. I think we can probably get a copy. It was the consultant who actually sent out the questionnaire. I am going to try and get a copy of that questionnaire.

**Mr. Mandrake:** They also make a presentation to the various groups that attend these meetings, and I would like to have a copy of that dissertation on their part.

**Mr. Albert Driedger:** Mr. Chairman, if it is available. I do not know whether they make a verbal presentation. We hardly do. It is pretty hard to table that, but whatever is available in terms of what they have had presented to them, we will try and get that from the consultants and give it to the Member.

Mr. Chairman, just a little further to that, basically before I get down the shute too far with this commitment about tabling or bringing forward all the information, it is mostly plans that they basically show and then they do a verbal presentation. I do not know whether the Member necessarily wants me to come forward with all the various alternatives because they have had a first set of hearings and showed alternatives. Then they redid them and it went back again. It has been a lengthy process in terms of how they did that. I will try and get some of the printed material that they have used. The plan itself, it would be very difficult to do that at this stage of the game but we are not trying

to keep anything. We are prepared to—once we get close to decision-making time, people certainly can look but we will not try and impose anything on the communities. That is why the public hearing process has always been very effective when you establish a new line, and that is a criteria that you have to have that kind of input.

**Mr. Mandrake:** No, I appreciate that, Mr. Chairperson. One question, on Highway 75, I understand that the Government is going to commence acquisition of the right-of-way and utility revisions to a tune of 31 kilometres. Could the Minister give us an approximate figure of what that is going to cost us?

**Mr. Albert Driedger:** Maybe I should just outline a little bit what is happening. We have two consultants—maybe I mentioned this before but we have two sets of consultants—one working from the I-29 going north, and one going from where the construction is terminated going south. So once the reports are completed that we know exactly how much right-of-way that we are looking at, we have \$625,000 allocated for acquisition of right-of-way for this year, which would give us enough of a head start so that we can start letting major contracts out on the grading for next spring.

**Mr. Mandrake:** I am troubled with the design of the highway. For example, Interstate 59 and 29—59, of course, is in Minnesota—the division between the highways is a maximum of maybe 30 feet. Here we are chewing up excellent agricultural ground, land, yet we have well over 100 feet between the highways. Now, I am quite confident that there is a good logical answer for it because, if there is not, we are going to keep on hammering at it. Not only that, but we have also got another between 50 to 75 feet on the other side of the highway for the farm access road. Are we going to be putting eight lanes there or what? What is the logic to all that?

**Mr. Albert Driedger:** Let me try and explain. First of all, in the first portion of Highway 75 that was twinned, the service roads were a very important part because you had so many smaller blocks and stuff like that. The consultants and the staffpeople working with the people in the area toward Morris, on the other side of Morris between Morris and Emerson, we feel there is not that kind of a big requirement for the service roads. We have tried to tie that in with other municipal roads so that we do not have the expense of doing that.

The Member raises a question why there is so much room between the two sets of lanes. It has to do with the engineers figuring out how to do the drainage. Drainage work is involved, configurations so that you have sort of a consistent proper line. I do not know. I have to rely on the engineers that they design it in such a way that they build for a long, long time in the future and that it is a safe road.

\* (1610)

**Mr. Mandrake:** Mr. Chairman, I appreciate what the Minister has said, but maybe it is time to change. I

can appreciate that we have done this. I mean, all I do is look at Highway No. 1. You have done that back in, I think it was the early '60s when that highway was done because I came—no, before that probably. We had that same type of configuration, same amount of land being used up, and we are going and doing it again.

Maybe, Mr. Minister, it is time that we looked at different alternatives. The United States highway, Interstate No. 59, has a higher traffic speed. It is 65 miles an hour. I travelled through it and we are not having any problems. Yet I go down Highway No. 1 during the wintertime, vehicles will slide off into that ditch, flip over and cause all kinds of problems. If we can just bring it closer together and not have that deep of a ditch, I think we might be able to save some lives.—(Interjection)— No, they will not—no, they will not.

**Mr. Albert Driedger:** Mr. Chairman, I have to depend on the engineers by and large knowing what they are doing, but I want to indicate that when I-29 was built that there was no road there at that time. They just cut a new track and built the road that they wanted. You will also notice that on I-29 you have a very nice Interstate. You have turning lanes, overpasses. We do not have those kinds of situations here. You also have to realize that 90 percent of that I-29 was paid by federal money, not by the state.

It is a matter of still trying to build a proper road with the funds that we have available. I think our engineers are, by and large—I cannot argue with them—very competent. I try to argue with them, but they usually win out because they are the professionals and I am the politician.

**Mr. Mandrake:** The Minister says that the federal Government is not participating in funding for Highway 75, and I agree. I am very, very dismayed that the Minister could not convince his brother in Ottawa to maybe release some of those hard funds of ours —(Interjection)— yes, for Highway 75.

**Mr. Albert Driedger:** Distant cousin.

**Mr. Mandrake:** Right. The thing is that we are saying that we are with a limited budget. Can the Minister tell me how many acres of land is being utilized for the amount that is being used up for the two dividers? I am sure the cost in the acquisition of that land must be horrendous.

**Mr. Albert Driedger:** Mr. Chairman, I hope it is not horrendous. When you figure that the total project, we figure, is going to cost to complete approximately \$95 million, we have \$625,000 for acquisitions, and the program percentage-wise is probably maybe not as horrendous as one might think. But certainly, depending on the area where you buy land, when you buy land in the Morden-Winkler area, then it starts to get almost horrendous. Certainly we do not want to buy any more land than we have to. That is why we go through the hearing process. We have to comply with the environmental impact which deals with the land use. There are systems in place that check so that engineers do not get too carried away.

**Mr. Mandrake:** Just one last thing, and I am going to let the Member for Dauphin (Mr. Plohma)—apparently he is frothing at the mouth, he wants to get at this Highway 75. I will let him to do it. That is my point. I am told that it cost \$1.5 million to do a kilometre of road. Am I right or am I wrong?

**Mr. Albert Driedger:** Well, Mr. Chairman, that depends whether you grade a road, whether you pave it, how wide you build it . . . .

**Mr. Mandrake:** Highway 75 -(Interjection)- I know I am pretty close.

**Mr. Albert Driedger:** I do not know. I just know that the project complete with the survey design, acquisition of right-of-way, the grading, the paving, the utility movement, the structures that have to be built, is going to be \$95 million. You can average it out or if you build it in a different place, build a straight mile of highway, it might not cost that much, but if you take all these things into the picture -(Interjection)- You are about right.

**Mr. Mandrake:** Again, Mr. Chairman, if we did not use up that much land, it would be not that costly to build that highway and that is exactly my point. With that, I will let the Member for Dauphin (Mr. Plohma) start at you.

**Mr. Plohma:** Mr. Chairman, the Liberal Critic knows I want to start at you, but actually I told him that I wanted to say some things about this. I actually agreed, to some extent, with what he is saying and one of the concerns I had too was the amount of farm land that is being used up for these highways. It was never used as a reason as to why we were not proceeding faster on Highway 75, but it is certainly one of the things that I thought about a lot in terms of the amount of farm land that we use, and it is true. When you think about it, the wide boulevards, the distance between the lanes, uses more farm land than probably would have to be used if we wanted to use a different system, different design, and I do not know that it is carved in stone that we have to have it that far apart.

So it is something that should be reviewed and I would think the Minister could do well to have his staff look at whether they could not put that a little closer together and save some farm land because it is not just a matter of the cost. It is also a matter of productive farm land being taken out of use forever. We have the City of Winnipeg built on large parts of it, on good farm land and it is quite huge now.-(Interjection)- Well, some people said it was swamp at one time. I do not know exactly whether it was all prime farm land, but there is a lot of prime farm land that is being now occupied by the City of Winnipeg.

We see much more of that in southern Ontario, the Niagara Peninsula where they are using up so much of this farm land that was previously used for orchards, for growing of fruit and so on. So it is a real shame and it is something that we all have to be concerned about, and it is one of the things that bothered me about twinning highways was the huge amount of farm

land that is used. I think that the Minister, besides the cost, and the cost is much greater than the Minister said because he said \$631,000—

**Mr. Albert Driedger:** That is what we have allocated for this year.

**Mr. Plohma:** That is right, but the Minister did not elaborate when he said that. If you look at that, he said \$95,631,000 for 31 kilometres is not so bad, but the fact is that is not for 31 kilometres, that is only what is put in the budget this year. It may be more like a couple of million dollars for that land, for that 31 kilometres. If I remember correctly, it would be probably close to \$2 million for that 31 kilometres. Maybe, that is even low. So there is a substantial cost there too.

(The Acting Chairman, Mr. Edward Helwer, in the Chair.)

So I would ask the Minister to consider whether he could not look at having the engineers look at some changes. I know that the Deputy Minister has had a lot of these things reviewed, some of the ways that construction was undertaken, for example, for roads that were going to be paved in the future. There is stage construction now so you do not have those wide shoulders having to be maintained, perhaps for years and years, while waiting for a Government to decide to go ahead and put the pavement on that was originally planned for or it was designed for. So they stage the construction so that you do not have that wide shoulder for maintenance until the pavement takes place and then there is a little bit of shoulder added and the paving is done all as one operation.

So that was something that was changed. There were a lot of other changes made in the standards, as well, in the last number of years. Credit to all of the people in the department, but certainly to the Deputy Minister who has taken some initiatives in that regard. I do not think there is anything wrong with every once in a while reviewing the four-laning standards.

I would ask the Minister, if he has not done that to review them if they have not been reviewed, whether he would undertake a review to determine and provide us with that information. If he has the opportunity to remain in his capacity as Minister of Highways and Transportation for the length of time that is needed to get that review done, but to provide us with that information, because I think it is a legitimate point.

**Mr. Albert Driedger:** Mr. Acting Chairman, first of all, I am as concerned as anybody else. I think the point is well taken about how much land is being used for roads. Being a farmer, I am a land lover, so my concern would be as genuine as anybody else's. I am prepared to ask staff to look whether designing should be done differently.

I would like to indicate to the Members here that when we hired the consultant, one of the criteria was to minimize the amount of land that would be required. In the plans I have seen, to some degree, we have the railroad track on one side on 75 and I think there has

been a special effort made, in terms of trying to minimize the amount of land that is being utilized. I am prepared to discuss this with my staff and the engineers and address the concern that is being raised.

**Mr. Plozman:** Mr. Acting Chairman, I am pleased that the Minister has indicated that. I think it is a good approach and it shows some flexibility on his part. It is one that could pay off for the people of Manitoba at some time in the future.

I just wanted to ask him, what is the current status of the acquisition from the south end? I believe that the Minister said he was going to start paving from both ends on Highway 75. What section of the map shows the acquisition south from the border? Is that PTH 29 south of St. Jean Baptiste, is that the 31 starting from the south end? Is that correct, Mr. Acting Chairman?

\* (1620)

**Mr. Albert Driedger:** Maybe I could clarify. We have one consultant operating from the north end, and we have a specific problem in the Morris area as the Members are well aware. We have three railway tracks on the west side of Morris. We have the community of Morris where Highway 75 goes through now and keeping with normally, when we do this kind of work, we try and by-pass communities. We have a real unique problem in Morris because we have the river on the east side, so we are looking at a very costly project.

We felt that rather than slow the program down, we hired a consultant to start from the south end. They have been meeting with the people along there. I think we are almost to the point where we have an agreeable program coming forward or plan coming forward. We think it is a very exciting plan and we feel that possibly it would expedite things by doing it from both ends. If we can get the final study or the recommendations agreed to by the communities and people involved, then we would buy right away so that we could, by next spring, start doing some grading work starting from the south and coming north. That would give us a little bit more time to deal with the complex problem we are facing in Morris.

**Mr. Plozman:** Mr. Acting Chairman, I did not realize that PTH 29 meant I-29 when I was wondering where it was. In any event, thank you, Mr. Acting Chairman.

There is a bridge at Emerson that needs replacing or is not up to full weight capacity. What is the Minister planning with regard to that bridge? That is not right on 75, it is in the town of Emerson, I believe, is it not?

**Mr. Albert Driedger:** No, it is that old bridge.

**Mr. Plozman:** It is a bridge over the Red River that is not up to capacity and is very expensive to replace. I believe the estimate was some \$7 million a few years ago.

**Mr. Albert Driedger:** Yes.

**Mr. Plozman:** Yes, and I was wondering whether the Minister is putting that one on hold while he is putting his efforts onto Highway 75.

**Mr. Albert Driedger:** We are doing some basic repairing and painting on that bridge. There is no major work undertaken in terms of strengthening that bridge. At the present time, the Member is right, that is the bridge that crosses the Red River. That is actually where all the truck traffic comes across right now because the brokers are located at the present time in Emerson. Under the new plan, we anticipate that there will be a new brokerage building set up on the Canadian side of I-29.

Incidentally, there is a PTH 29. I want to clarify that. There is a short little stretch in there that is a PTH 29 which belongs to us, but ultimately we always talk of I-29.

Also in the plans, we are looking at another tourist building being developed in that area. So these are things, once they are formulated, then we will go ahead with the program. The bridge itself, there is minimum repair being done but we are doing some repair work on it. I have a major concern about that because it happens to be in the constituency of Emerson. So if there are any problems there, of course, I usually am the first one to hear about it, but there will not be any major work undertaken on that bridge.

**Mr. Plozman:** Mr. Acting Chairman, just to follow up on that, does that bridge have to be replaced as a result of any of the twinning of 75 or is that not going to be affected? That will be a separate project and decision that is not affected by the twinning to the border. That is off to the side, is it not? Yes, okay, thanksf

**Mr. Mandrake:** Mr. Acting Chairman, the Minister mentioned about a new tourist building. In my travels going through the States and I noticed their tourist buildings are open year-round. It is so nice to be able to stop during the wintertime, talk to the people in that particular State or wherever the case may be. Regardless whether it is in January or July, you can always do it.

Here in Canada, come September or October, we shut everything down. We say, look, we do not want any tourists, nothing, get away from us. Would he entertain the thought of having particularly that building open year-round, or is it?

**Mr. Albert Driedger:** Mr. Acting Chairman, I can indicate that I will take and lobby the Minister of Tourism (Mr. Ernst) as hard as I can to keep it open during the course of the winter.

**Mr. Mandrake:** On Highway 75, Mr. Acting Chairman, I brought to the Minister's attention as to what happened some three weeks ago about a portion on which they are resurfacing right now. We lost another person on that highway, on Highway 75. How many more people are we going to lose on that highway before something is done? It troubles me because the person that I had brought to the Minister's attention was my daughter. Sure, they were being asked to follow the lead vehicle, fine. Of course, just as they were going through this one lane, a big semi-trailer truck comes

up the other side and I almost lost a daughter over this.

Now, what assurance can this Minister give me that either these people do the work at whatever hours, during low traffic hours, or else instruct the people who are responsible for safety that either they do it or they do not do it, and replace them with somebody who will do it.

**Mr. Albert Driedger:** Mr. Acting Chairman, when the department lets out a tender, a contractor gets to bid, the successful bidder, there are certain regulations and things the department says that they have to do when they do construction, to allow it, and some traffic to flow. At the present time, there is so darn much construction going on all over the province we have a major problem in terms of—there are a lot of detours and problems that are developing with all the road work that is going on. It is just very exciting.

However, seriously, through the department we have certain guidelines that are set up in terms of when they do construction on a road and specifications that they have to meet. If there are individual problems, and I cannot assure you that there would not necessarily be some problems, we certainly like to become aware of it, and we will draw it to the attention of the contractors.

\* (1630)

**Mr. Mandrake:** Mr. Acting Chairman, my point is this. I realize that the Highways Department does have certain criteria that must be met by these contractors. I am not questioning that. What I am questioning are the people who are responsible, like the lead vehicle that takes a convoy through on this one lane. Are they instructed? Are you laying the law to these people to make sure that they do not do anything stupid, they do not endanger the lives of our public?

**Mr. Albert Driedger:** Mr. Acting Chairman, they are supposed to deal with situations of that nature in the safest fashion possible. We have to rely on the fact that the guy who drives the pilot truck is conscientious and familiar with his job, not saying that there cannot be some isolated circumstances, somewhere where maybe somebody acts irresponsibly. That is why I say if these cases get brought to our attention that somebody is not acting responsibly dealing with the traffic under construction cases, then I would like to hear about it because my staff has no compunctions about going to the contractor and saying we want you to sharpen up in this regard.

Incidentally, in the specific case that the Member makes reference to when there was a semi coming the other way, I do not know, it could have well been one of the trucks that is on the construction site.—(Interjection)—I do not know, I am just throwing that out because obviously I have the same situation when I drive to and from work every day on Lagimodiere Boulevard where we have construction going on. The city is doing that. They have a pilot vehicle that backs up traffic for half a mile and then leads them through. In the meantime, in the other lane there, is continuous

activity with other vehicles and trucks and what going on, so I do not know. I mean, one would hope that everybody is responsible in terms of what they do.

**Mr. Mandrake:** The thing is, Mr. Acting Chairman, this is my daughter. Blast it, that is my daughter I almost lost, and all because of stupidity. That truck that was there was a truck, a trailer. I get very emotional when it comes to something like this. Do not give me any excuses that it could have been a truck with gravel or anything like that. I could understand that and I will be the first person to say, fine, that could happen. But when it was a big tractor-trailer hauling goods coming in the opposite—when my daughter was in the car, I find that very, very upsetting. Let us not give us any kind of gears. Let us not have excuses. I can appreciate the Minister is trying, but that was my daughter.

**Mr. Plohman:** I would like to ask about some other Highways' issues under Planning and Design, but I would say that what the Member has just raised with regard to a specific situation, certainly I think the Minister should look into that particular situation to determine whether he can find whether there was negligence or as to why it happened, and whether it has been rectified so that situation would not happen in the future at that particular site or any other sites.

I would like to move on to some other questions. One of the areas that is very much of interest to me in the Parklands Region is the Repap deal, with regard to the sale of Manfor at The Pas and the implications for the Highways Department in that agreement that there were some roads that had to be brought up to higher standards to meet increased weights that Repap would be requiring, or that they would be given special allowances for in that area of the province and perhaps other roads.

I would like the Minister to just outline exactly what the provincial Highways Department's responsibilities are under the proposed agreement or the final agreement. Has it been agreed to? Exactly which roads are impacted on? What are the projected costs to the people of Manitoba of doing that work that is going to be included under that sale?

**Mr. Albert Driedger:** First of all, I am one of the by-products of the Repap deal, I suppose, for my department because the Minister of Finance (Mr. Manness) was involved in the negotiations. Naturally, one of the components in the whole negotiations with the Repap deal was the road construction in the northern area. In the process of the negotiations of the whole deal, my staff got involved in terms of trying to figure out the impact of the heavier hauling, longer-distance hauling from some of the supply areas. We have been asked to do some reviews on that, we did that. The long and short of it is, I believe that over a period of five to six years, a certain amount of road work will have to be done basically from The Pas, from the Repap plant, all the way up to the Wabowden area even past that, I think, almost all the way to Thompson. Am I correct?

I do not know whether the Members were here when the deal was discussed with the Minister of Finance

(Mr. Manness). I just know that from my department's point of view that we will be doing survey and design on Highway 39, 391 and 10, all the way up to Thompson, I believe, in stages. We plan to do the survey design this year, and if the financial obligation of Repap is met this fall that we would then be in a position to start doing some work over the next five years, in stages, in terms of broadening and strengthening the shoulders. I believe we are doing paving of the shoulders to accommodate the kind of units that the Repap are hoping to use for the hauling of their timber.

(Mr. Chairman in the Chair.)

**Mr. Plozman:** I am concerned about some of the things I am hearing. First of all, the Minister said that after the discussions took place the staff got involved to determine what the implications were going to be. That seemed that would be backwards. Can the Minister indicate when—

**Mr. Albert Driedger:** Let me correct that.

**Mr. Plozman:** I will ask the Minister to clarify whether in fact the implications of the proposals to the Highways Department were known before they were agreed to by the province or are they something now that the Highways Department is being to asked to assess, after the damage is done so to speak, saying now the deal has been made, now we are going to look at what it is going to cost us? It is kind of backwards.

**Mr. Albert Driedger:** Mr. Chairman, I would like to indicate that during the process of the negotiations, knowing that roads were a component in there that our people were involved as the negotiations progressed. Naturally, the company was going to try and get as many benefits out of that, but our people were involved in looking at all the various options in roads as the negotiations progressed, and finally came towards conclusion. Our people were involved from Day One. In fact, I think the moment that negotiations really started getting on a serious note our people were constantly involved and giving estimates as to what could be undertaken, rough estimates of costs, etc., so they played a role in it all the way down the line.

**Mr. Plozman:** Mr. Chairman, I was here when the Minister of Finance (Mr. Manness) was discussing this, and frankly I was very concerned about this deal insofar as what the province got or what the province gave up. The highways was one aspect of it. The other of course was the huge cutting area in the Parklands that was given to this Repap as part of the deal, which I feel was a huge mistake.

I think the Minister of Finance blew the negotiations, quite frankly. I do not know if he did insofar as the highways are concerned, but I would like to find out how much was given to Repap. I did not get that from the Minister in his earlier statements. He talked about paving shoulders.

Is he also talking about laying a heavier lift of pavement over the top as well, and is that how the highway will be strengthened for increased loadings

that are being allowed under this deal, or is there going to be base work done? I understand it is in the neighbourhood of some \$100 million dollars. Is it more than that? How much is going to be spent to satisfy the company's needs under this particular aspect of the deal, and precisely what work is going to be done on sections of 39, 391 and No. 10?

**Mr. Albert Driedger:** Mr. Chairman, this work that the Highways Department is going to undertake in the area is going to involve, in some cases regrading, in some cases shoulder work, depending on the location. It is not like we are going to rebuild the whole road, but in certain areas we will be having to do shoulder work. We will be having to do some grading, and there is going to be paving done. Structures are another key thing that have to be addressed. We are looking at possibly spending in the area of between \$90 million approximately over five to six years.

\* (1640)

**Mr. Plozman:** Mr. Chairman, my understanding was it was a seven-year period and that there was a significant amount, somewhere in the neighbourhood of \$100 million. That seems to be what the Minister is now verifying, perhaps more than that.

If the Minister can give us an exact estimate that was included for the purposes of negotiation. He says that the Highways Department was involved right from the beginning. Therefore, the estimate was obviously given to the negotiators and say this is what it is going to cost the people of Manitoba for us to agree to this, so they had to know ahead of time what precisely was that figure estimated to be.

Has there been any revised estimate to it right now, up to this point in time? Is the Minister going to be including this, some \$13 million or \$14 million a year on this work, in part of his regular program, or is he going to be adding it to the Highways program each year to meet the requirements of Repap, or is it simply going to be absorbed in what he brags as a \$102 million program this year? If we count in \$13 million for Repap, he is actually down substantially from the previous years. Maybe he would like to comment on that.

**Mr. Albert Driedger:** Yes, I would, Mr. Chairman, because the Member is not going to get me that way. He is a little embarrassed because he did not have such a good program when he was Minister, and I can see a little green coming out, but that is fair enough.

I have to say that I am very defensive about the program itself, that we have to balance a problem. Any monies that will be expended on Repap should be above and beyond the normal program that affects the balance of the rest of Manitobans. I would have to indicate that the estimated figure is \$95 million for the involvement with Repap, and that is an estimated figure. Depending on how they establish their routes to some degree—like we have the major routes—that is the estimate that we are doing our planning on. If the Member indicated that \$13 million for Repap was going to come out of my regular program, I would have to indicate

that we have \$300,000 for survey and design for this year, and that comes out of that record budget that we have, but nothing else. When we address the budgetary items next year, I certainly hope that any monies that will be expended for Repap will be above and beyond the normal program.

**Mr. Plohman:** Mr. Chairman, I would hope that it is above and beyond. I could see a marginal amount being deducted for what would normally be done on those roads every year in any event, but that would only be in the neighbourhood of, let us say, a couple of million dollars, say, one or two projects on those. Maybe there has been some stabilization work, maybe on the outside, \$3 million. That still involves \$10 million that should be added to the budget in order to break even in the rest of the province. Otherwise, something else has to be sacrificed, like the roads in the Parklands, for example, each year because the Minister is trying to satisfy the requirements of an agreement that his colleague negotiated in which he, I think, to a large extent got taken by Repap with those negotiations.

I want to ask the Minister if it is more than \$95 million, is the company going to have to pay for the additional costs to get those roads up to snuff or is there going to be a sharing, or could it go much higher than that? Is it open-ended?

**Mr. Albert Driedger:** Mr. Chairman, my understanding is that the agreement states that up to \$95 million is what—I do not believe that there is any involvement financially on roads on the Repap deal beyond the \$95 million.

**Mr. Plohman:** I would like the Minister to give a categorical statement on that, not he "believes," to provide us at the next sitting of the committee, whether in fact there is a potential of any additional obligation by the Highways Department for roads as a result of that agreement beyond the \$95 million. Can he indicate whether any additional roads were to be upgraded from Swan River to Dauphin, Highway 10 for example there, or is this all north of The Pas? Does it involve any other construction of roads for the company?

**Mr. Albert Driedger:** Mr. Chairman, the figure that I gave, \$95 million, does not include and there is no plan to do any roads south of The Pas. However, it includes the road to the Repap or Manfor plant, Highway 10 and then 39. I would have to look on a map, but certainly the figure of \$95 million was what our people have estimated to do certain works that have been in the contract with the Repap deal, to have certain undertakings. That is our estimate of what it will cost, including structures.

**Mr. Plohman:** What precisely is the Minister indicating or committed to providing insofar as weight limits for that company, and that will apply obviously to all vehicles moving on those roads, not just to Repap vehicles? What weights will they now be subjected to once the upgrading has taken place and before the upgrading has taken place? Are those heavier weights going to be allowed immediately, or only after the upgrading has taken place?

**Mr. Albert Driedger:** Mr. Chairman, we will allow RTAC loading on these routes, but only after the reconstruction of these roads has taken place.

**Mr. Plohman:** The RTAC loading then is according to the new weights and dimensions as to the designated routes under the weights and dimensions agreement with the other provinces?

**Mr. Albert Driedger:** Right.

**Mr. Plohman:** That will apply only after the upgrading has taken place? So only after seven years for all of these routes will that weight be allowed and not before?

**Mr. Albert Driedger:** Mr. Chairman, we will be doing this in stages. Once a certain stage is completed, obviously, we will be allowing that kind of loading on there. For example, No. 10 to 339, that was done first, then we would allow that kind of loading on there.

**Mr. Plohman:** Can the Minister indicate what the cash flow over those seven years is? Now, we are in the first year of this year, of that agreement I would think, and he has got \$300,000.00. It has six years left, and he has to spend about 95, probably more, if there is an inflationary factor there that should have been built in but there are always additional costs that occur. He is now going beyond the \$13 million or \$14 million for the remainder of the six years. Has he got a cash flow for his program on these roads?

**Mr. Albert Driedger:** Mr. Chairman, yes, we have.

**Mr. Plohman:** Mr. Chairman, can the Minister share that with us?

**Mr. Albert Driedger:** I hope so. I will find out if there is any reason why. I have no difficulty with it, but I will check and see. Most certainly if there are no hindrances, I have no difficulty sharing that information with the Member.

**Mr. Plohman:** Mr. Chairman, the Minister is usually very open and aboveboard and I would hope that he would be in this particular case. This is a very important area of questioning. I am sure that the other Opposition Party is also very concerned about this.

Is the Minister then stating to us that it is his understanding of the commitment that he will have in his capital budget, \$102 million or whatever reasonable facsimile, plus a figure for the Repap deal, and that we should be looking at something at minimum of \$112 million to \$115 million in the Construction budget next year to meet the obligations?

**Mr. Albert Driedger:** Mr. Chairman, that would be my hope, but most certainly the Member realizes that we operate on estimated budgets on a year-to-year basis. Myself, as well as the Members here, will have to wait and see what next year brings in terms of the figures in there. I can just indicate that I, as I said before, hope that there is the work that is going to be involved with Repap other than the normal work undertaken up there

would not be reflecting on my normal construction program.

\* (1650)

**Mr. Plohman:** Mr. Chairman, I hope, for the sake of this issue, that the Minister has another chance at the Highways budget so that he can in fact demonstrate whether he can deliver on that. As a matter of fact, we will watch that very carefully. That is critical to actually putting this in perspective insofar as what kind of involvement the province has in this deal, and what the benefits are for Repap. If it is simply a reduction in the budget, then we are all going to suffer in other areas because of this deal. We will be watching that very carefully.

**Mr. Mandrake:** I am very happy with the Member for Dauphin (Mr. Plohman). He covered the Repap deal rather extensively, so I am not going to go. There are only several questions I have with the Repap roads.

No. 1, in the Budget, the Minister claims that he is going to have an increased revenue of \$8 million for Highways. Of course, for a full year, it is going to be \$14.4 million. Would this Minister give this committee the assurance that that money that I just finished quoting is not going to go towards building the roads for Repap?

**Mr. Albert Driedger:** Mr. Chairman, I will try and explain how the process of Estimates works. Each department goes through their spending Estimates and presents various options, and my colleagues as well, in terms of what they would like to spend. Then the process involves, unfortunately, something like a Treasury Board who then sort of have a bit of input in terms of how money can be spent.

The process, by and large, involves the various departments that come forward with their programs, as I will be doing next year. I will be dealing with Treasury Board to see exactly what kind of funding this Government will be prioritizing in terms of highway construction as well as under the Repap deal.

**Mr. Mandrake:** Somebody is not telling somebody because in here, after—and I will quote this, “and by \$14.4 million in a full year.” Again, all of the additional revenue will be used for highway and road construction in the province.

The Minister of Finance (Mr. Manness) stated that money is not going to go to general revenue. Otherwise he would have said that, but he said it is going to be all the additional revenue. This revenue is going to go for highways and road construction. The Minister of Finance (Mr. Manness) has made that commitment. Now I want the commitment from this Minister that money will either be put in a fund of some sort, in a trust fund of some sort and then designated for roads other than Repap. Would he do that?

**Mr. Albert Driedger:** Mr. Chairman, first of all, I think by having that \$14-something million next year already indicates that we will have an increased budget for next year.

I cannot give the Member the undertaking that there will be none of that money spent on Repap. That is something that I have to deal with, with Treasury Board next year. The Government then has to be accountable for what kind of—(Interjection)—

**Mr. Mandrake:** The Member for Dauphin (Mr. Plohman) is saying exactly what I was going to say. The integrity of the Minister of Finance (Mr. Manness) is on the line. He has already committed himself in a very, very, beautiful document covered in blue—it would have been much better in red, but we will accept blue, —(Interjection)— We have got it in his own words. It did not say, and I am going to go —(Interjection)— That is right. It said “for highways and road construction.” There was no ifs. I am not a lawyer, but I will tell you, if I took it to court, I would win.

I want the assurance now, today, that the \$8 million that is going to be accrued for the year '89-90 and \$14.4 million for the next full year, is going to be dedicated to roads and transportation and highways, for other than Repap.

**Mr. Albert Driedger:** Mr. Chairman, I will do my best to have it that way, but that decision is not totally mine to make.

**Mr. Mandrake:** I appreciate that, Mr. Chairman. All I am asking the Minister, when he does go to the Treasury Board, is he going to be very, very, tenacious and stand there and say, enough is enough, you have given me a very miniscule amount this year?

**Mr. Albert Driedger:** I will fight like a tiger.

**Mr. Mandrake:** You promise me that.

**Mr. Albert Driedger:** Right on.

**Mr. Mandrake:** Okay.

**Mr. Angus:** The Repap agreement specifically calls for upgrading of close to 40 miles of Highway 10 and the surfacing of the shoulders from the plant right to Highway 39. It is almost 40 miles by the end of next year. I would like to see the breakdown. I understand this question has been asked, and you are going to get this information. There must be some form of an estimate of the total investment. I would like it broken down by the roads and the areas, a detailed breakdown. I am sure you had to put that together for your Estimates, so it should be fairly easy to give us that breakdown. How many miles and which roads?

**Mr. Albert Driedger:** Mr. Chairman, I had indicated already previously, I have no difficulty doing that. Unless there is some reason why I should not be showing these things, I will be bringing them forward next time. There is no big secret in what we are doing.

**Mr. Angus:** I would appreciate that. If you do not, we will do an Order for Return and then you will have to do it.

**Mr. Mandrake:** When we were talking about Repap roads, Mr. Chairman, the Minister mentioned something

about compaction of roads. What vehicle do you use when you have compacted the road and then you put your blacktop on top? Is there any way you do testing as to what the compaction is per square inch?

**Mr. Albert Driedger:** I have to indicate that our staff are constantly on the job in terms of any job that is undertaken, from start to finish. There is continuous testing done to make sure that the ingredients they use, the mixes they use, the quality of the material is such. If it is not, there are major problems. So they are on top of it all the way.

**Mr. Chairman:** The hour being five o'clock, it is time for Private Members' Hour. Committee rise.

\* (1450)

### SUPPLY—AGRICULTURE

**Mr. Chairman (William Chornopyski):** Will the Committee of Supply come to order, please? This section of the Committee of Supply has been dealing with the Estimates of the Department of Agriculture and we are on Item 1.(c)(1)—the Honourable Minister of Agriculture.

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Chairman, just before we go and pass the Communications, I neglected to mention last day that the Director of Communications, Mr. Vern McNair, is retiring at the end of June, I believe it is, June 30, after 34 years with the department.

**Mr. Bill Uruski (Interlake):** Mr. Chairman, just on a more positive note than the other day, I would like to wish Vern the very best in retirement. Vern certainly dedicated his career to the Communications Branch, although at times I have to say that Vern had other ideas as to how a Communications Branch should operate other than even some of the administrators in the department. Nevertheless, he was certainly dedicated to making sure that agricultural extension and ideas were transmitted to both the farming population as well as the non-farming population, to gain a better understanding of the farm community. We wish him well.

**Mr. Laurie Evans (Fort Garry):** Mr. Chairman, I would certainly like to add my best wishes to Vern McNair. I have known Vern for many years and I can also add to that, that he is a constituent of mine in Fort Garry so I am in some regards—(Interjection)—Well, you may send him his condolences but I am pleased to find out now that he probably has considerable time on his hands, and I will see whether or not I can put him to work in other endeavours, but I would certainly want to add my best wishes to Vern.

**Mr. Findlay:** Now that the Member for Fort Garry said where he lives now, I will tell the Member for Fort Garry where he grew up. He is a good Shoal Lake boy who grew up just down the road from me, so he started off on the right foot. Vern is well recognized throughout the farm community and throughout the agricultural

industry in general for having done a dedicated, good job for agriculture communications in this province. I think it is fair to say that the role played in communications in this province is equal to or better than any other province in this country.

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

1.(d)(1) Financial and Administrative Services: Salaries—the Honourable Member for Fort Garry.

**Mr. Laurie Evans:** Under the Salaries item here, Mr. Chairman, I would just like a little clarification on what has happened under the administrative support where there are 17.2 and there are still 17.2 staff years, but the increase is very, very minimal, going from \$462,000 to \$466,000 which is, of course, somewhere in the vicinity of 1 percent. I would assume there must have been a very major change in staff in that area over the past while, or else there has been some fairly considerable period of one or more positions being vacant.

**Mr. Findlay:** Mr. Chairman, in there right now, there are two vacancies. In terms of the total figures, if we just look at the total, there is a difference there of some \$23,000 from 787 to 810, approximately. In the financial changes, the provisions for salary adjustment was an increase of \$32,000 and reduction in salary expenditure due to staff turnover would be \$1,800, and decrease due to severance pay allowances, \$8,600.00. That makes up the difference of approximately \$23,000.00.

**Mr. Laurie Evans:** I would like to spend a moment or two in the area of the Agri-Food Agreement. I know that we have heard in the House several times that there are ongoing negotiations, but as one who has been very closely involved or associated with some of these agri-food projects over the years, I would like to hear from the Minister just how well the so-called negotiations are going in terms of the renewal.

I was interested in noting in the paper, I believe it was a day or two ago, that in New Brunswick they are actively negotiating and, in that particular release, indicated that they were fairly optimistic that there would be a renewed agreement in that province with a 70-30 federal-provincial cost-sharing agreement. Can the Minister update us on just what is going on in terms of negotiations for the agri-food subagreement, if not in terms of the overall ERDA Program?

**Mr. Findlay:** I guess we really should be discussing this in Vote 7 when the ADM responsible will be here, and we can carry on then, if you would like. Just to give you an update on where it is at right now, certainly every province is trying to renegotiate their ERDA agreements, and we are right in there with them. We have written letters requesting extensions and renegotiation of the Agri-Food Agreement. Right now, we will have agri-food money in place for this year and next year. The present agreement, in terms of expenditure deadline, is December 31 of 1990, which I am sure you know.

We are meeting in Ottawa on Monday, as I told you last week. Certainly this will be on the agenda, one of

the items that if it is not discussed in the whole meeting, I want to discuss it privately with the federal Minister of Agriculture.

At the same time, we are dealing with getting the Soil and Water Accord signed, and that is in the final stage of being put together for signature. How the federal Government is going to view the Agri-Food Agreement in conjunction with the Soil Accord is something that I want to find out when I meet him on Monday.

**Mr. Laurie Evans:** The Minister has indicated it may be more appropriate to deal with this at a later time in the discussion, but one of the concerns that has been expressed by the federal Government, in particular, is that in the Agri-Food Agreement, and some of the projects that are identified in here, that the federal Government was not given sufficient credit for their participation, not only financially but, I assume, otherwise.

My question to the Minister is, does he share the concern of the federal Government that they have not been given the type of credit that is warranted, based on the level of financial participation? I might just add, as a preamble to that, if you go through this document, and I am sure the Minister is very familiar with it, there are many projects in here which, in my opinion, are in-house projects of Agriculture Canada. I am a little concerned with the criticism that has been levelled at the province, that it is a case of the pot calling the kettle black in many cases because a lot of these projects should never, in my opinion, have fallen into the Agri-Food Agreement to begin with, because the projects in my opinion were totally the responsibility of the federal Government.

\* (1500)

I will just pull a couple here that did concern me quite extensively. One is identified as Project 11101, Potato Storage and Quality, which was conducted entirely at the Agriculture Canada Research Station at Morden; another one which is a major one, \$428,000, Triple Medium Wheat Development which was conducted entirely at the Agriculture Canada Research Station at Winnipeg; and a final one, Cereal Crops Germ Plasm Screening, also a four-year project conducted at Agriculture Canada Research Station.

This has been one of my concerns with this Agri-Food Agreement. While it was on the surface a 60-40 cost-sharing arrangement, in many cases the funding that was available from the federal Government was simply just a case of taking it out of one pocket and putting it into another and providing the research funding for somebody who was in place in the federal Government. I am wondering whether the Minister is taking this into consideration in terms of the overall program when it is being renegotiated. I hope it will be.

I think there was a lot left to be desired in the way in which projects were first of all called forward for consideration for funding and then in the decision making as to which projects were actually funded,

because in my opinion many of these were federal offloading onto a cost-sharing agreement, which I do not think was the original intent.

**Mr. Findlay:** Mr. Chairman, I think that the Member has asked the question and he has answered it. I do not think there is too much more I can add, other than agree with his analysis of what really has taken place, in that there has been a lot of in-house work done by the federal Government in a conceived cost-sharing program. If there was not sufficient advertising on the part of what they were doing or recognition given, they did not give themselves recognition. I mean, they are their own worst enemy I guess.

It is a bit of a smoke screen, I would say maybe, for trying to say that somehow or other they were not treated fairly. We certainly will take that into account in terms of laying on the table all the cards with regard to what has been done in our side of the agreement, what has been done on their side of the agreement.

Clearly, one of the most important activities of the Agri-Food Agreement that absolutely must be continued and that is the zonation (phonetic) trials that are ongoing and need to be continued, so we will certainly be proceeding on that process of negotiation. Hopefully, we have some level of continuation of that agreement on into the 1990s to effectively give the kind of demonstration projects and research projects that are beneficial to Manitoba agriculture in general.

**Mr. Laurie Evans:** It may sound as though I have an axe to grind here to some extent, Mr. Chairman, but the procedure used in identifying the projects that were supported last time—now, I do not argue with the projects that were supported per se, but it was a very time-consuming and I think wasteful process that went through in drawing projects in last time, because it was almost a case of taking unsolicited proposals from anyone who wanted them. I was one who sat on one of those committees that developed numerous proposals, many of which obviously were of no interest to the people who were making the decisions as to what would be funded.

My question is to the Minister. If we have a renewal of this agreement, will there be a prioritization of areas of concern at least by the provincial Government and, if necessary, by the federal Government? It hopefully will be a joint proposal, so that those who are contemplating submitting proposals or requesting support will know at least whether they are in the areas of high priority, as opposed to areas that are of lesser concern to the provincial Government, before the whole solicitation process gets off the ground.

**Mr. Findlay:** Mr. Chairman, I can tell the Member that clearly will be part of the process. I mean, it is very important that we do that so the clear signals are out there and the sort of priorities that the people of Manitoba want to have acted upon will be acted upon with this kind of money. Efficiency of the use of the money has to be an important criteria, and if we lay down the guidelines of one of the most important areas in the eyes of those who are handling the funds, I think

it will help the person applying know how to organize projects and know that those projects are meeting the needs of the people at large.

**Mr. Laurie Evans:** This is a technicality, Mr. Chairman, but on page 24 of the Supplement it indicates under Activity Identification, "Prepare contracts for the Agri-Food Agreement and Services." I assume that is a carry-over from previous years because I do not think that in this fiscal year there was the opportunity to actually initiate new contracts. I believe that was outside the terms of reference that any contracts could be continued but new ones could not be initiated.

**Mr. Findlay:** I have no further questions on . . . .

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

1.(d)(2) Other Expenditures—the Honourable Member for Fort Garry.

**Mr. Laurie Evans:** I have one question on that before we get through the 1.(d)(2). Can the Minister give us any idea of just how much of a workload and what numbers were involved in terms of accommodating The Freedom of Information Act?

**Mr. Findlay:** The department informs me that there were four requests received under Freedom of Information. Two had been misdirected to our department that had been sent to other departments. That left two that had to be dealt with. One was responded to and the second one is being responded to in terms of giving some of the information that was requested.

**Mr. Laurie Evans:** Just as a clarification from that then to the Minister, do I gather from his response that those two which we might call legitimate requests were for information that was not otherwise available, or was it a case where those seeking the information just did not know where to look but it essentially already was public information?

**Mr. Findlay:** Mr. Chairman, one was an individual requesting a copy of her personal file, letters back and forth on a particular issue. The second one was a general inquiry that came from, I would imagine, outside the province, and it was looking for a copy of 1988 Minutes of Pesticide Advisory Committee and records summarizing complaints and reviews before the Manitoba Farm Machinery Board. It seemed to be just a general inquiry, probably a bit of a shotgun approach for something, but one was specific, maybe.

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

1.(e)(1) Salaries—the Honourable Member for the Interlake.

\* (1510)

**Mr. Uruski:** Mr. Chairman, to what extent is the department involving itself in the production of assistance-type programs for the farm community as it relates to computer programs? Is there any move in

that direction in which—what would occur would be basic programs that would be not personalized, but at least done over, specialized, and the department would sell copies of their version of a more customized computer assistance programs, whether the department is doing some in those areas or are they primarily involved in the financial planning and record keeping area as well as in the engineering and other areas in which computer programming is available to the farm community?

**Mr. Findlay:** Mr. Chairman, what we do is supply to farmers, say, a general account keeping service. We sell some software to a farmer if he wants to purchase it to take home and use on his machine, but generally the services are in general. Financial planning is clearly one of them. It is a service where a farmer comes in, as the Member well knows, and gives his information to the farm management adviser. He inputs it into the program and then they ask a number of "what ifs," what if this, what if that, to give the farmer some guidance in the process of making decisions with regard to his farm in general, or maybe make decisions with regard to setting up his line of credit, or maybe with regard to making purchases, whatever kinds of questions the farmer wants analyzed.

In general, it is my understanding that there is a lot of one-on-one kind of consultation work going on with the farm management specialists with farmers who are seeking that service or maybe are reaching a point of some financial difficulty, they come in for some analysis and help thereon. A lot of hours are spent one on one, but the farm management specialist that I talked to seems to think that the process is working very well in terms of spending, say, a month or two with a person to get him started, to get him oriented towards record keeping, oriented to understand what records will tell him, then a year later follow up to see how things are going, just to be sure he still believes in the process of record keeping and an analysis of those records once a year. Then hopefully that person is on his own feet and understands the value of record keeping, keeps bringing his information in to input it, to ask the "what ifs" for the future, and then they move on to other clients. Slowly, they think they are getting more and more clients to understand the value of record keeping for decision making to be good managers in a general farm sense.

**Mr. Uruski:** Mr. Chairman, is the new inventory accounting system in the Vet Services Branch on stream?

**Mr. Findlay:** Yes, apparently the inventory system is on. It is fully operational. The accounts receivable is on but not fully tested, so there is still some more development work there but, given a little more time, it should all be on system.

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

1.(f)(1) Personnel Services: Salaries—the Honourable Member for Fort Garry.

**Mr. Laurie Evans:** I would just like a little explanation from the Minister on this particular section. There seems

to be quite a disparity here, in terms of the salary component being essentially a quarter of a million. The Other Expenditures are very, very, small, which would lead me to believe that this must be an almost entirely an in-House type of operation. Yet, it talks about the provision of Staff Training in Farm Management, Professional Update Orientation for New Employees, and so on. I would be interested in the nature of that type of operation within this group, because it would sound to me as though there must be considerable range of expertise in the relatively small number of personnel if they are in the senior positions in that area.

**Mr. Findlay:** This section deals with the co-ordination of the Recruitment and Training Program, but the costs associated with a lot of that training are borne by other branches in the department, so that is where the costs are distributed for that training program.

**Mr. Laurie Evans:** One other area that I want to dwell on a wee bit here, Mr. Chairman, and that is that it is indicated here that the section facilitates the administration of the department's Workplace Health and Safety Committee.

I am sure the Minister is aware of the recent Wigle Report that has come out and to me it was, without going so far as to say that the reporting was a little, I think, out of line—the fact that it was reported that farmers in Saskatchewan had an incidence of lymphatic cancer that was twice the non-farm population.

I would ask the Minister whether he has referred this study to this particular committee, if that is the appropriate thing? Is he doing anything that would at least verify as to whether that study is meaningful to Manitoba? I think it is almost a type of "scare" information if it is not absolutely correct. It was rather a dangerous headline as far as I was concerned.

**Mr. Findlay:** Certainly, the Wigle Report has created an alarmist attitude, if nothing else. It sort of plays up the fact that lymphatic cancer is higher in farmers, and they say higher in farmers who farm more acres. Therefore, it is connected with the fact they may well spray more chemicals.

I have been a scientist long enough to know that is a pretty weak, a very weak connection, whether there is more stress, whether they drive vehicles further, whether they are on a gravel road longer, all those things that could be tied into that relationship. It is a scary kind of statement when Wigle acknowledges that, by and large, farmers are healthier than the general population, healthier in general, but then they say they get more lymphatic cancer so it is tied to the use of chemicals.

It may be that some of those farmers have livestock operations, they smell more ammonia. There are so many possible connections. Certainly, I would like to reinforce to the Member the fact that the department does a lot of work, working with Workplace Health and Safety, working with the agribusiness sector to be sure that the kind of information getting to farmers adequately identifies the potential health hazard of handling the chemicals that farmers must handle. I

would like to just quickly read down a number of the activities that are going on that supplement the information that is available on the label of the chemical can which is very extensive. I will be the first to admit that I wonder how many farmers really read what is on that label. They may once a year glance at it, but in general they do not read it.

\* (1520)

I can tell the Member, as he may well know, that back in the days when I was in university, I was quite involved in the process of trying to be sure that farmers were aware of the dangers of handling chemicals, because I always used to get upset because the environmentalists would say how it was harming the environment and how it might be harming their residents who eat our food. I say, guess who is in closest contact with the chemical in the most concentrated form? It is the guy who opens that container and has to pour it into some applicator and put it on his crop or on his livestock.

Just to give you some idea that the department is actively involved, it advises farmers on safety procedures and puts out kinds of booklets like this that are available in ag rep offices. They are also available in the pesticide dealers' premises. The agribusiness sector is putting out programs like—I have not got the right program in front of me—I think it is called Gear Up With Rubber Gloves or something like that, where they supply free rubber gloves at the point of sale of chemicals, hoping the farmers take them home and will use them when pouring chemicals.

The wheat guide that is put out annually has a section in there on safety of chemical handling. Hopefully, farmers will read that once in a while and look at it. A number of courses are held or meetings where different individuals of the department who do talk about and stress safety in handling chemicals, and just in the general safety area. I know years ago, they used to think in terms of safety just in terms of lethality of a given insecticide or pesticide and identify that lethality by the LD 50 of that chemical which said the lethal dose required to kill 50 percent of the population in 24 hours. That was done on rats. It was an important criteria to say that malathion is not as toxic as the organophosphate insecticides, and I cannot think of one right off the top of my head.

That is, in itself, a bit of a caution with regard to immediate lethality in terms of breathing it or having it on your skin and the absorption occurring through the skin. The long-term hazard in small doses, in terms of building up the lymphatic cancer or other body reactions 10 and 20 and 30 years down the road, is such a difficult thing to measure that the only thing we can do is say you are obviously better off if you have the least possible contact and the least possible exposure to chemicals.

There is a tremendous effort to advertise the use of rubber gloves, the use of a respirator when handling particular chemicals in the concentrated form like pouring it out of the container and the wearing of clothing to prevent spray or splash getting on your

skin. I know that most of us think of our skin as being impervious because the blood does not run out, but chemicals go in awfully fast through the skin. If you look at the medical reports with regard to rate of absorption through the skin, you will find that certain parts of the body take in chemicals a lot faster than others, like the lining of the eyes, behind the ears and under the arms, take it in more rapidly than just through the hand. The kind of chemicals that we have nowadays, as I remember in the latest reports, the rate of absorption through the hands is surprisingly high. That is how it gets into the bloodstream.

There are a number of ways in which both my department and the agribusiness sector is attempting to make farmers aware of the safety procedures they should use and how to handle chemicals to reduce that exposure. I guess we will always have some level of exposure. We will always have some people putting out those kind of reports that show or almost bring forward a bit of an alarmist response. There is no question that there are farmers, and I am sure we all can think of one or two or whatever who have died at a young age from some fairly serious forms of cancer, that we tend to think it might be linked to the fact that they use chemicals and they were not using them in a safe way. I think particularly people who might have been wheat supervisors or people who are commercial sprayers, who are in the vicinity of handling chemicals for many months of the year, as opposed to a farmer who, by and large, maybe sprays for a week or two in the summer so his length of exposure is short, I just hope he uses the proper procedures in handling the chemical to reduce the potential health risk.

We are continually attempting, through brochures and pamphlets and presentations at their various courses during the winter, whenever called upon, to give that message of safe use of chemicals. How the information of studies like the Wigle study get reported, we cannot control, but maybe it does a good service in creating a bit of an alarm, increases the awareness that maybe we had better wear those rubber gloves, rather than leave them laying on the tractor, or put that respirator on when we are pouring a chemical. We are all somewhat negligent once in awhile and it does not hurt to be alarmed once in awhile as long as it does not cause an overreaction of abandoning the chemical.

**Mr. Laurie Evans:** I do not think it is clear, from looking at the Agriculture Estimates, but can the Minister give us any sort of a figure as to what he would think is the level of funding that actually goes into the whole area of farm health, farm safety, in terms of getting the message across to the farmers? Is that identified specifically anywhere in the Minister of Health's, his colleagues', Estimates or is this something that has not been identified as a specific item in either of their budgets?

**Mr. Findlay:** Basically, the answer to your question is no, there is no identified amount of funds in any given area that show what we are doing in the area of transmitting safety information, but there is some done in the weed section by Barry Todd. There is certainly a fair bit done by the entomologists in the various

courses they put on, the training courses they put on, the licensing course they put on and in the training area, Ken Martens is doing some of that work, too. So it is spread out through the department and I am sure that it is safe to say that the ag reps are doing it and anybody else who may be involved in a meeting or discussion or that a question comes up, the information they transmit will always be the same.

**Mr. Laurie Evans:** Well, in the same vein, Mr. Chairman, every year we seem to see a significant number of very serious farm accidents that are related not specifically to the pesticides, but I do not know whether it is the stress factor and the fact that the producers are very tired, or just what it is, but in terms of accidents with the farm machinery, whether it is a case of somebody losing a limb in an auger or whether it is catching their hands in a V-belt, or just what it happens to be. I think it is the 17th of July that is Farm Home and Safety Week or day—I am not sure if it is a week or a day—but I get the impression that there does not seem to be a concerted thrust in terms of trying to get the point across at the farm level again in terms of safety, even so far as such things as the retention of safety guards on pieces of equipment and that sort of thing.

Does the Minister have any specific projects or programs that are under way at the present time that relate to that particular area? It seems as though the emphasis has shifted over to pesticides, away from the mechanical side.

**Mr. Findlay:** I guess, probably it is safe to say to the Member that we do not do enough. I think that is a fair statement, but we tend to do it through the ag rep service. Certainly we are making some effort through the 4-H Program to make young people aware, but I think in my own experience I would say that the equipment manufacturers are certainly putting a lot of labels on equipment with regard to safe handling.

\* (1530)

I noticed one just the other day, it came out, a special pamphlet from John Deere and they said how a person may forget his key at home and he will take a screwdriver and he will jump-start the tractor and you will have heard of people getting run over by a tractor simply because they jump-start it starting in front of the back wheel without taking it out of gear, jump-starting does work. The engine starts and it engages immediately, just a very shoddy operation.

John Deere has sent out a special warning. Everybody should know they should not do it and what can happen. They have sent out a special warning. All new tractors have a cap over the starter so you cannot do that unless you physically remove the cap, so attempts are being made. I talked one time with a person who produced ladders and they tell me all the decals they have to put on ladders, because of the liability of misuse of a ladder and what can happen.

I will tell you that Manitoba Hydro is doing a very good job in terms of telling farmers about the hazards of moving augers around a yard with overhead wires. You have heard of those kinds of accidents, moving

the auger and the two wires make contact with the auger and instant electrocution. They have travelled around to fairs with a display, a live display with an auger and they show how it can happen. I think it gets the message across. They have put out a number of decals, handed them out to people who are available in ag rep offices. Stick them up on your yard pole or something but make people aware of what can happen, because when you are pulling an auger along the ground, not many are looking up.

As you well know, many times at harvest time, it is the inexperienced people who are out there hauling grain, like the children and the wives, who just are worrying about what they see on the ground and do not look up above. It is a serious problem and too many accidents have happened that way.

I will give credit to everybody involved. They are attempting to get the message across as best they can to people with regard to the safety hazards of handling equipment because farm exposure to potential accidents is very high. The only thing that is really going to save a farmer is paying attention to what he reads and sees, and use good management and common sense in handling equipment. The accident rate unfortunately will always be too high. Whether we can ever bring it down to zero is a challenge that will be very difficult for everybody to meet because, as the Member says, once in a while you get tired. You do not think as well as you should or you make a shortcut and that is when the accidents happen.

You may recall there was an accident up in the Interlake region this past winter where a young farmer had his cattle out on a peninsula, I think it is - (Interjection)- yes, Peonan Point. He started the tractor I think by the jump-starting procedure or whatever. It ran over him in a shop, in a garage. He managed to drag himself out, got on the skidoo, somehow got it started, got across the lake.

I met him this spring at the Brandon bull sale and I could not believe how well he looked considering the ordeal he went through. It was his father-in-law I was actually talking to and I said, did he not have a phone there. He did not have a phone. Whatever you do, get a phone line into those places. You never know what kind of emergency may arise when you go out there in the wintertime. Anyway, he was very, very fortunate. How he ever got the skidoo started and managed to ride on that skidoo and get across, I do not know what distance across the water or across the ice to get home, it was rather amazing.

**Ms. Avis Gray (Ellice):** I recall about four or five months ago that the Minister of Agriculture announced a committee that was formed within the Department of Agriculture to look at affirmative action. I cannot recall all the individuals who were on that committee. Morris Deveson is one that comes to mind, and I believe someone from personnel in Agriculture. I am wondering if the Minister could indicate to us how frequently that committee has met and what they have accomplished to date.

**Mr. Findlay:** I cannot tell the Member how many times they have met. All they can give you is the results of

the hirings or total appointments that occurred in '87-88 and '88-89. In '87-88, there were 57 total appointments and 22 from affirmative action target groups. In other words, 35 percent of the total hirings were from affirmative action in '87-88. In '88-89, there were 29 appointments; 17 were from affirmative action target groups; in other words, 59 percent of the appointments were under the affirmative action target.

**Ms. Gray:** In the statistics that the Minister has given us, I am assuming when he gives the figures or the numbers of affirmative action candidates, he is meaning that those particular positions that were filled were designated for affirmative action. What I am saying is you cannot count a female who has been hired into a clerical position. I am assuming that he is taking that into consideration in his figures.

**Mr. Findlay:** We will get the answer for you. Carry on.

**Ms. Gray:** I am wondering if the Minister has the information with him today, that particular committee that was established. There was a communique that went out within the department speaking of what that committee was going to establish. I guess my concern with that is to me the guidelines that were set up by the committee were objectives that should have been accomplished over the last two or three years. It seems like the Department of Agriculture is a little slow on the uptake as far as the Affirmative Action Program and looking at the barriers of employment, looking at what they would like to see as specific targets.

My question is, and I do not know if it is a fair question to the Minister given that this committee has just been established in the past year, was there anything at all being done in the area of affirmative action before this committee was established?

**Mr. Findlay:** Mr. Chairman, I think it is safe to say that the department has made an attempt to target positions as affirmative action positions for more than just the past year. They have done it over the past few years, but they have attempted in the past year to be more aggressive in being sure that positions are targeted as affirmative action, and we hire on the principle of trying to attract qualified candidates who fit those targets. The figures I just gave the Member do reflect an increased number of affirmative action individuals hired for the appointments that were made.

**Ms. Gray:** Does the Minister have any further breakdown with the number of people hired who were affirmative action? Do you have that breakdown into the categories of targets, i.e., women, visible minorities, etc.?

\* (1540)

**Mr. Findlay:** In order to give the Member some information on the 17 positions hired under affirmative action: 10 were in support, clerical, nine female and one female Native; under professional, there were four, one female and two female in male-dominated classes, and one male was a visible minority; under technical,

three positions filled, two female and one female in a male-dominated class.

**Ms. Gray:** Just to clarify your first statement, you mentioned in the 10 support positions there were nine clerical hired who were female and one clerical who was considered Native female. Could you explain for me these 10 support positions? Are those traditionally positions where there would be other than females in the jobs?

**Mr. Findlay:** The answer is no.

**Ms. Gray:** Just to clarify, I have a concern here because it sounds like the departments have varying methods of collecting statistics. The way I would interpret those statistics is that we cannot include those nine individuals who were hired, because you are hiring women in traditionally female categories, so that really does not fall in line with the Affirmative Action Program.

My further question to the Minister of Agriculture (Mr. Findlay) is, where does his department go, either the Minister himself or his senior staff, in terms of sorting out these issues which affect the other departments? What is the overall body that your department would relate to?

**Mr. Findlay:** I will give the Member the membership of the Affirmative Action Committee: Craig Lee, Assistant Deputy Minister; Vern McNair, Director; Morris Deveson, Director; Marlene Yuel, Clerk; Rhonda Kurtz, Lab Technician; Shelley Smyth, Lab Technician. There is about, if I am not mistaken, seven individuals on that committee. We take a lot of direction from the Civil Service Commission and act under them.

Together with that committee, the Central Coordinating Committee for Affirmative Action under the Civil Service Commission, we work closely, attempting to meet our targets. The management files on affirmative action strategy for all staffing transactions are handled by the Director of Personnel, Mr. Doug Burch, to be approved by the Deputy Minister and the Minister.

They are making a concerted effort to meet some targets in their affirmative action, but we have a problem in terms of being able to have enough people who do qualify, who fit some of the categories, and particularly the Native category. There is some real difficulty in being able to meet targets in that area.

**Mr. Richard Kozak (Transcona):** Has the department made no effort to hire persons with disabilities? I too have a concern regarding the statistics you have provided us with a few moments ago.

**Mr. Findlay:** I will give the Member some statistics. The long-term goal that we have for the physically disabled is 7 percent. We are right now at 2.36 percent. We are attempting to do some outreach recruitment in this area. We also have persons on term, right now, in the department who would be classed as physically disabled but are not in the statistics, because they do not qualify into the statistic collection system.

I guess I would like to make further comment, because I was somewhat disappointed at a couple of articles that have appeared in the Free Press here just this past week with regard to Manitoba Telephone System attempting to do exactly what I have just said, some outreach to attempt to upgrade the skills of individuals who can then fill these categories. It was a program involving Core Area Initiative and the Manitoba Telephone System to help people, in general, who lived in the core area, but particularly women in the core area to upgrade their skills in many ways. Only one of those ways was physical fitness. There was a whole list. I do not have it in front of me, of areas—I think it was six or seven areas. They attempted through this committee to upgrade their skills so they would qualify for jobs at MTS, plus there were some MTS employees in the program who wanted to improve their opportunity for a better job in MTS.

There have been two articles in the Free Press criticizing that because of the male-dominated union making comments about it was discrimination, where really it is reverse discrimination. So MTS is taking a hit because they are attempting to achieve these targets in their corporation. I find it almost offensive that somebody would stand up and start criticizing for an attempt to accomplish a very laudable objective. We are attempting, in a smaller way, to do it here and I hope we do not take the same hit for it.

**Mr. Kozak:** Mr. Chairman, I would like to thank the Minister for being very forthcoming in his answer. May I ask the Minister, however, if I am correct in interpreting the statistics he provided us with a few moments ago as indicating that despite his department's commitment and his obvious personal sense of commitment to the hiring and advancement of persons with disabilities, no hiring of persons with disabilities did in fact occur within his department in the last year?

**Mr. Findlay:** Yes, the answer is a yes and a no on that. We have nobody on permanent staff who came on this past year who qualified in that respect. As you well know, they have to be self-declared, so somebody may decide I am not physically disabled, will not declare, and they may well should have but that is a personal decision they make. Right now, we have two people on term in a tripartite unit who are physically disabled and where they are on term and are not going to appear in the true statistics, but there are two who have come on recently.

**Mr. Kozak:** Mr. Chairman, I have no further questions for the Minister on this matter but I would like to express, first of all, my appreciation for his sense of the importance of this matter, but secondly, a certain disappointment that this Government has not proceeded with vigour, certainly in the case of the Department of Agriculture, despite its 7 percent target for employment of persons with physical disabilities. In fact, we have seen little progress on this front in the last year.

\* (1550)

**Ms. Gray:** Mr. Chairman, I would just like to go back to a few comments in regard to these statistics. First a comment and then a question to the Minister.

I am concerned about the way this department is collecting statistics because, as I understand the Affirmative Action Program and the collection of statistics, you are doing it incorrectly. I say that in regard to the statistics provided of the 10 support staff hired, where you indicate nine of those were affirmative action. In fact those very positions, I would assume, would not be designated affirmative action for women, because that is who usually are in those jobs. Obviously, perhaps the Native clerical person who was hired, that would be a legitimate statistic because probably there are very low numbers of people in those jobs who would be considered Native or aboriginal.

I would ask the Minister, does he agree with me and why are those statistics being collected that way? Is the Minister willing to rethink and relook at that collection so that we would hope that statistics collected across the department would be consistent and similar and truly reflect the goals and objectives of affirmative action?

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

**Mr. Findlay:** I would like to tell the Member that in the overall statistics on male versus female in the department, obviously the goal for female employment is 50 percent. I mean that is a pretty even position, as half the population is female so we would like half the population. Right now, we have 46 percent of the employees in the department are female. Now I know what the Member is saying. She is saying, well, it does not really qualify because, if it is not a male dominated class, it does not qualify for affirmative action in terms of hiring a female.

On that basis of a criteria, we could have 80 percent female in our department and still not have met certain class qualifications. Then we would have males crying that discrimination in the opposite direction. So I think we are very close to our target in terms of total female in the department. Fifty percent, I think that is a reasonable target for us to have in our department. There have been some changes in the criteria that have been utilized and we have made some adjustments, and the committee is working towards trying to meet the target, use adjusted criteria so that we can then meet our legitimate targets. I can assure the Member that we are putting some emphasis on trying to achieve this, but just keep in mind that we are at 46 percent now of females in the department as a whole.

**Ms. Gray:** Just as a comment, to reach 50 percent or 52 percent of women in your department, that alone is not the goal that should be looked at because obviously you could have all of those people in the lower classifications and none of them in the other classifications. We know there are a lot of clerical people who are in departments that make up a fair percentage. So you really would not have accomplished anything by continuing to slot women into those low-end, low-paying positions, and that is my concern that we need to really look at these statistics.

My concern is as well that I am not sure other departments are collecting statistics in the way your department is. So that to me, I am just suggesting that maybe something needs to be clarified and looked at.

**Mr. Findlay:** We have in the department a Training and Development Committee to help the clerical people to upgrade their skills and abilities so that they can qualify for higher level positions. But the Member's comments are taken in good faith, and we will relay them to the committee and see if we can improve our ability to meet our targets in the coming hiring period.

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

1.(g) Program Analysis: (1) Salaries \$180,100, (2) Other Expenditures \$13,500—the Honourable Member for Fort Garry.

**Mr. Laurie Evans:** Under the section of Program Analysis, my question to the Minister is, are the analyses that are done essentially all in-house confidential analysis, or is any of this actually available as public information?

**Mr. Findlay:** It is all in-house.

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

1.(h) Excess Summerfallow Compensation Program (1) Administration \$40,000; (2) Assistance Payments \$840,000—the Honourable Member for Fort Garry.

**Mr. Laurie Evans:** Rather than ask a number of specific questions on this, I would ask the Minister if he could give us a sort of a chronological progression as to how this actually reached the point that it is at now. I am thinking in terms of the whole concept of the numbers, the acreage, who made what decisions, and for example, why did we end up with a figure of \$880,000 with a cap of 60,000 acres? Did he start off with the \$880,000 figure and work backwards. I am little puzzled as to how these figures actually came about, and perhaps a general statement would pretty much satisfy my concerns on this.

(Mr. Chairman in the Chair.)

**Mr. Findlay:** We have not got enough time to go through the chronological order of events over a period of years on this program. Maybe the Member for the Interlake (Mr. Uruski) could start the process off. I could pick it up from there.

In general, statements I made a year ago were that we were prepared to cost-share the program if the applications that were filed sometime in 1986 could be found with the names and the acres attached. I had been continually informed that such a list existed. We made repeated efforts to attempt to get that list, and we were always told, yes, it is there, it is coming, and another month or two would go by and nothing would happen. Eventually, we were told by some federal officials that that list only consisted of names. No acres were attached. Therefore, we had no valid record upon which to make payments to decide who qualified and how to make payments.

We had to basically start from scratch in terms of how we were going to put a program in place that did

put money into the pockets of producers who lost an opportunity to qualify for the Special Grains Payment Program in 1986. I think there was no question there was justifiable hurt out there because of the wet fall in '85. They got penalized bad enough in '85, then they got penalized in 1986 because they had not seeded those acres.

We had back and forth consultation between that of myself and the federal Government, and I brought Keystone Agricultural Producers into the scene and we ran some proposals past them and we ended up, I feel, with a method of putting out an application that will determine who justly qualifies and what number of acres would reasonably qualify for the program. What we have asked for on the application form, the summerfallow acres for the three years, '83, '84, '85, and the summerfallow acres in '86, and the average between the three previous years versus 1986, will be the acres that will qualify for the program.

The prediction from staff is that 60,000 acres will qualify and, at \$14 an acre, that is \$840,000, and the other \$40,000 is for administrative costs. The applications are now out there. I think the deadline, if I am not mistaken, is June 30 for the applications to come in. If there is need, if some problems emerge, whatever, if there is need for an appeal committee, one will be set up with farmers' peers. It is there to be set up if we need it.

\* (1600)

I think there has been a lot of frustration in the process of trying to put this in place. The frustration started with this list that was supposed to exist but did not, and now we have to go back and ask farmers to put a fair bit of information on a sheet of paper to be sure that we pay the money to the producers who justly qualify, who justly were hurt, and not pay it across the board to some who qualified and some who did not. I have heard no negative reaction to the process that is in place. We anticipate that the amount of money that is allocated will be paid out and, in the event that there is more than 60,000 acres qualify, the amount per acre will be adjusted so that we pay the \$840,000, in total.

Just before I sit down, I would like to mention to the Members that we now have Heather Gregory here at the table, Director of the Economic Branch, and she has been deeply involved in getting this program together and in terms of handling the applications as they come in.

**Mr. Laurie Evans:** Well, I guess the obvious question, Mr. Chairman, is where did the \$14 figure come from? It does not seem to be the same type of figure that we are looking at for those who lost crops through drought or any of the other previous figures. It seems as though it was a figure that must have been pulled out of the hat, but I would assume there must have been a rationale behind that figure.

**Mr. Findlay:** It is less than what they would have qualified for if there was crop on there, but I guess you might say a certain value was obtained in that land

by summerfallowing in that year of value in terms of additional crop in 1987. So I will not say it came out of a hat, but in back and forth analysis and discussion, and I say I brought Keystone Agricultural Producers in and then asked them, you know, what is fair in this? They agreed with the proposal as I outlined it to them and agreed that the \$14 a day here was reasonably fair. There is no absolute criteria to say that for this reason or for that reason it should be \$13.50 or \$15.50, that does not exist. But \$14 an acre is a lot better than zero, what they had before, not as good as having had the money back in 1986, as they should have had. There is no question that we have picked up a responsibility that was offloaded onto us but we feel, in the interest of fairness to the producers of the Interlake, we have done the right thing.

**Mr. Laurie Evans:** In an earlier statement, I commended the Minister for taking the action that he did. I know there is a disagreement between the colleague from the Interlake as to whether or not it should have been identified as a provincial responsibility, but I think that is sort of a viewpoint at the present time. I understand the application date, I think, it is indicated the 30th of this month which is creeping up. Can you give us an indication as to when farmers could anticipate actually being told the cheque is in the mail?

**Mr. Findlay:** I guess we could say to farmers that they could expect their cheques the last two weeks of August.

**Mr. Uruski:** Mr. Chairman, is there a preliminary accounting of the number of applications under the program? Do staff know at all how many have come in?

**Mr. Findlay:** To date, we have from the Interlake Region 61 application, 9,000 acres; and from the eastern region three applications, 1,688 acres, so in total, 10,600 acres.

**Mr. Chairman:** Shall the item pass—pass; 1.(h)(1) Administration \$40,000—pass; 1.(h)(2) Assistance Payments \$840,000—pass.

2. Manitoba Crop Insurance Corporation: (a) Administration \$4,867,000—the Honourable Minister.

**Mr. Findlay:** Mr. Chairman, if we could just wait a few minutes until the staff get down, I want to make a few opening comments in their presence.

Mr. Chairman, I would like to introduce two staff members from Crop Insurance who just joined us, Hank Nelson, the newly appointed general manager of the corporation, a long-time worker in Crop Insurance and who was many times known as "Mr. Crop Insurance" across Canada. I am very proud to announce that we have appointed him just recently as the general manager. Also, Mr. Mike Gagne, Director of Finance and Administration of Crop Insurance, and has also been with the corporation for some time.

Mr. Chairman and critics, I would like to at this time pay tribute to the effort that these individuals in the entire corporation have put in, in the past year. They dealt with some 35,000 claims in 1988, and my

knowledge the other day was that there have only been five appeals on 35,000 claims last year. Some \$130 million was paid out under the Crop Insurance Program, a good amount of money, the highest ever paid out. The previous high was around some \$57 million in 1980, so you can see the role the Crop Insurance Corporation has played in terms of stabilizing farm incomes because of last year's drought.

Because of last year's drought, there was some attention drawn to the fact that maybe the program did not have enough people participating. Maybe they were not participating because the program was not to their liking, or the premiums were too high, or the coverage was not good enough, so last year in July, when the Ministers of Agriculture met, every Minister across the country who had a crop insurance program of some note said that we have to make some changes to crop insurance.

Because of that, we have gone into a major review. We have held meetings across rural Manitoba. We had three of them this past week to discuss a document, a discussion paper on federal-provincial crop insurance review. About 40 or 50 people attended the meeting and gave considerable input on the pros and cons of some of the proposals in the review, and what they saw as their idea of what crop insurance should do for rural Manitoba for the future.

Some changes were made for this year to help farmers adjust to the conditions that were in place because of the 1988 drought. Then the All-Risk Program, we have put in place a floating option. In other words, for terms of dollars per tonne coverage that a producer can choose, there was low to medium on the floating. The low for wheat, Hank, would be \$120 a tonne, medium \$160 a tonne, and the floating will be set in the month of July. It will be no lower than the medium of \$160 a tonne, but may be higher if market prices during the month of July reflect a need for a figure higher, say \$165, \$170, \$180.00. It can go to a maximum of 150 percent of the \$160.00, in other words, \$240 a tonne. That is the maximum.

\* (1610)

The reason that was put in place is because last year, as you all know, the price of grain rose over the course of summer, but the contract was locked in to the dollar-per-tonne figure of April 30, so that the contract would not allow adjustment for the higher value of grain in the fall when the payments were being made.

That was one of the changes that occurred. The other is the enhanced coverage that was put in place some two or three years ago, two years ago, and was triggered in eight out of the 15 risk areas. That is where the indemnity paid is twice the premiums paid in the previous year. We have crop districts all across southern Manitoba, eight out of the 15 risk areas where the level of coverage this year is really 80 percent of the long-term average in terms of bushels per acre, and they are only paying the 70 percent premiums, so they get higher coverage for this year.

Under the Livestock Feed Security Program, last year we had some -(Interjection)- Okay, I will backtrack for

them. The All-Risk Program, we have an additional 2,000 contracts in place this year which brings us up to about 14,500 contracts, 14,600, something like that. The level of coverage that is in place has gone from \$375 million up to \$700 million of indemnity covered by farmers in Manitoba, clearly indicating that not only do we have new contracts, we have a number of farmers who have existing contracts who enrolled more acres or enrolled more crops than they would have normally, because they felt 1989 was a high-risk year.

In the Livestock Feed Security Program, there were a little under 2,000 contracts last year. This year, it is around 6,600 contracts. There were two options they could choose this year that were not there before. One is they could choose a 70 percent level of coverage or an 80 percent level of coverage. The premium on the 70 percent level is 6 percent. The premium on the 80 percent coverage is 9 percent, in other words, 50 percent higher. Surprisingly, some 57 percent chose the higher level. In other words, they would trigger a payout sooner.

The desire was there for protection, and the farmer could choose anywhere from \$60 a cow to \$220 a cow. The average selected is around \$170 a cow, again fairly high. We gave them yet another option because of the concern about the R.M. boundaries that were not reasonable boundaries for payment. We offered them a soil zone boundary opportunity. I think it is about 75 percent or thereabouts who chose the soil zone boundary and 25 percent chose the R.M. boundary.

We gave them the option. Now the corporation is challenged with the task of being sure that the monitoring procedures in place for this year can do justice to what producers expect with the number of people enrolled. In that enrollment, we believe there is about 75 percent of the beef cow herd enrolled, and I think it is about 63 percent of the dairy herd enrolled. So we have got a sizable enrollment this year.

Certainly, I will say the corporation advocated it, I advocated it. We continually said it all winter that the forage area, the dry conditions of last year, the lack of snowfall made things look difficult for forage production for this year. Seventy-five percent of the beef herd is enrolled, according to the figures that the corporation has, as opposed to less than 20 percent last year, so a sizable sign-up. I would guess that recent rains have maybe made the opportunity of producing forage a little better for this year.

I just want to put those brief comments on the record, just to highlight the value of crop insurance, the good job that the corporation has done in meeting their commitment to their clients. They have had a trying and difficult year and they have met it well. We always have some carry-over problems that we have to deal with. The crop insurance review is going on at the same time. I am sure they are looking for a quieter period of time in the coming months and years, after really a hectic 14 months at this point. It will be a little hectic for the next few months too. With those opening remarks, I welcome questions.

**Mr. Laurie Evans:** I want to thank the Minister for his comments, and I certainly want to be on record as

congratulating Mr. Nelson for his appointment. Henry and I go back a long time and I feel it was an excellent choice. I also want to compliment the Minister on having named Dr. Gillson as the chairman of the board. There again, I think it is an excellent choice.

I also think the Minister is well aware that I am a very strong supporter of the Crop Insurance Program, and certainly am pleased to see that the level of participation is going up. I think that the changes and the improvements that have been made certainly are in the right direction and, I think, will make the entire program far more appealing to the producers.

I assume the Minister would probably agree with my statement that the figures that are provided in the supplementary book are essentially meaningless as far as this year is concerned, because I know that the negotiations are going on as far as the participation of the province in the portion of the premiums. Can the Minister give us any indication of just what the status of the negotiations are? I am not asking for any confidential information as to the dollar value, because I assume that will be forthcoming once the negotiations are completed, but perhaps he can identify a time frame.

The other thing that does concern me a little, and the Minister is aware of this, I am not overly pleased with the fact that this is being offloaded onto the provinces. I am a firm believer that this is one of the areas that the federal Government should have taken more initiative and actually had a national plan where the province was participating only to the extent of the administration would have been preferable, but if that has already gone, and I assume it has, perhaps the Minister can give us a where-are-we-now scenario in terms of the provincial participation and the time frame.

**Mr. Findlay:** Just with regard to where we are at, yes. As I said in my opening comments last July when we met in Toronto, there was sort of a joint commitment between the federal Minister and the provincial Ministers that, yes, we need to improve the program. The federal Minister said, okay, if we do that, you are going to have to get involved in some cost sharing. We all are of the same opinion that ad hoc programs could not carry on. We had to have a better program, and we can offer it to our producers so that we knew what we were putting in each year in terms of a commitment to help producers pay their premium, so that we can make the program affordable, we can avoid ad hoc.

We put in roughly, provincially, some \$13 million last year in livestock drought, an ad hoc program that we are still being asked to help in a Crop Drought Program. It is not the kind of way I want to run a department. I do not think that it is good for farmers to have to beg and hope that disasters can be offset by ad hoc programs.

I think we have had enough experience in the crop insurance area that we can make some changes to the program to meet the needs of producers. A number of options are under consideration and we can then offer producers the choice. Buy the program at a cost reduction in terms of premium payment, protect yourselves for the risk of drought, hail and frost and

whatever else might come along to take your crop away. If you choose not to do that, you then decide to take the risk on your own shoulders, and that is fair. If they decide to do that, that is fair, but I would like to be able to offer, particularly to our young producers, our financially stressed producers, an opportunity to protect themselves from risk.

I am also pleased to say that I understand that many of the financial institutions are saying to their high-risk clients, it is crop insurance or no credit. I think that is good because it takes away some of the risk of loaning to them and the risk to the producer in terms of getting enough money to pay his accounts.

\* (1620)

Where we are at, in terms of time frame of knowing what percent we will have to pay for this year's premium or next year's premium, there have been proposals going back and forth by letter. We will have a discussion on this on Monday in Ottawa when the federal Minister and all provincial Ministers will be in attendance. I do not expect we will be able to find a decision there. I expect it will be ultimately decided at the national meeting at the 1st of August in Prince Albert. But we believe, I say, personally that the level of coverage, protection to the farm economy that can be created through crop insurance is of benefit to the overall provincial economy. On that basis, we are prepared to put some money in to avoid the probability of having to get involved in ad hoc programs in the future. So that is the premise on which we are operating.

I am pleased to see the way the review process has occurred and the kind of some improvements that probably will come in place, options that producers can purchase through the Crop Insurance Program to give them the kind of protection they want, whether it is adjustments to their particular yield or enhanced coverages or higher percent coverage from 70 to 80 or 85, those kind of options. Whether it is spot loss for particular perils, in addition to hail spot loss, a spot loss for some other peril, those are some of the things that are there, that can be done. It is my belief that what we have seen this year, in response, in terms of sign-up and acreage, that we are moving in the right direction. If we have to put in, and I will just throw a figure out, another \$20 million to \$22 million to pay 25 percent of the premiums for producers, I think that would be money well invested in helping the farm economy stabilized and protect themselves from the risk of drought and the other perils that farmers face every year.

**Mr. Laurie Evans:** Do I gather from the Minister's comment then that he is anticipating that after the negotiations are completed that you will be looking at something in the range of \$25 million as being the cost to the province? I gather he said 20 to 25, in addition to what it had cost in previous years.

**Mr. Findlay:** I think I suggested 20 to 22, somewhere in that general ball park. I do not think it will be quite as high as 25. We will not exactly know what the total premium will be this year until the seeded acreage

reports come in at the end of June, where a farmer actually lists the acres he has for each crop. The anticipation is that it is going to be around 90 million total premium, and 25 percent of that we will work out just a little over 20 million. It is just projection at this time, if we end up being 25 percent. There is always a possibility something will fall apart in the negotiation. Every province has to do the same thing. You cannot have one province doing this and another doing something else.

To my knowledge, at this point, the commitment is pretty firm by all provinces that we are on the right track in terms of protecting the farm economy this way.

**Mr. Laurie Evans:** One aspect that has been suggested is the introduction or adding to crop insurance what some people have referred to as a disaster type of insurance for those who for some reason feel that they want to maintain their independence, and are quite prepared to suffer crops that are only half normal or even something less than that, where you have a disaster go through, where you get virtually nothing, which you would assume could be provided at a relatively low premium cost. Has there been any consideration given to that as a supplement to the old Crop Insurance Program?

**Mr. Findlay:** Yes, there is a fair bit of consideration to be given to that. I can tell the Member that the chairman of the board is fairly high on that, because he believes there are a number of producers who like to protect themselves from a disaster. They will take the initial hit. They could lose 20, 30 maybe 40 percent, but they want to be protected from the ultimate disaster.

What is being discussed is a basket of crops concept. If you grow four crops on your farm, you insure a certain level of production for all four crops as a group. Maybe you could have a higher level, say 80 percent, right across the board on all crops, and pay a lower premium because your risk is spread across all crops instead of just on a crop-by-crop basis.

That concept is being discussed and it has been analyzed by the review and discussed at the meetings, a basket of crops concept so they can have a disaster clause protection at a lower premium. Maybe they would want to offer that 80 percent of all those crops, at 70 at 60, whatever—some options where the producers could pick or choose what kind of protection he is prepared to pay for. The idea, in general, is to protect from the ultimate complete loss at a lower premium. The probability of collection, of course, then becomes somewhat lower and that is why the lower premiums could be offered.

**Mr. Laurie Evans:** Just a few quite specific questions and one relates to the high float option, you indicated that price will be identified or set some time next month. What is the basis of that calculation? Obviously, it is not related to the initial price that is from the Canadian Wheat Board, so what are you doing? Are you looking at world markets at a specific period in order to come up with that calculation?

**Mr. Findlay:** What is intended to be used is the same method of setting price that was used in April. Prices

were set for low, say, for medium in April. It was the best guess at that time as to what a crop was going to be worth when it is harvested in dollars per tonne. In July, the same basis will be used.

For wheat and barley, it may well be the initial price or it may not be. For the other grains, the same criteria will be used as was used in April to project what the value of that crop will most likely be. If that figure is set higher than what it is for the medium level of support, the premiums will also be higher.

**Mr. Laurie Evans:** I think it is fair to say that probably the area that created the most problems for the corporation last year was the monitoring process in the Livestock Feed Security. I notice from one of the press releases there are plans not only to change with the concept of municipal boundaries as opposed to the soil areas, but it also goes on to say that the corporation is conducting an evaluation to ensure that base yields reflect actual average production over the last 10 years. I would be interested in knowing exactly what procedure is under way to resolve that one because that seemed to be the most contentious issue.

**Mr. Findlay:** Yes, there is no question that through the review process, where some 75 municipalities came to the review committee and where 51 were adjusted in terms of their percent production last year, two things came up repeatedly which they did not trust. One was the monitors. As they said, they were not a fair representation of their municipality in terms of production, year in, year out. The other was the challenge where really base yields seemed to be not fair, or they wondered how they were calculated.

Clearly, we have had a lot of discussion between my office and the corporation with regard to how we address those problems. The idea of going to soil areas was one attempt, and right now we have in place a contract with Daryl Kraft at the university who is reviewing base yields and will be making a recommendation to the corporation very shortly.

The corporation's hope is that they will go from approximately 1,000 monitors this past year to about 1,500 monitors this year, thereabouts. They have sent out to I guess each person who is presently enrolled, some 6,600, a form asking them if they would want to act as a monitor and do they have records in the past? There are certainly going to be different thoughts analyzed as to how we can project back to that 10 years, whether it is through records that farmers may have or whether you can go back. Certainly, the corporation has records back four, five, six years maybe, and maybe with rainfall data you can project back the next four years, but there is a real concerted effort to try to have fair and reasonable base yields, fair and reasonable monitoring, so that the program is conceived by farmers as being a reasonable method of protecting themselves from the loss of feed because of whatever happens during the year, whether it is lack of rain or flooding or whatever it is.

We obviously had several meetings with different groups and individuals making comment on this program, and I have been on the other side making

comments about the program too. We will all, hopefully, come out of this period of frustration and learn a bit. The growing pains are still with us.

I have said to farmers, when you are buying insurance, remember what the word "insurance" means. If you are buying fire insurance on your house, I hope you are not praying you get a fire in that house; if you are buying crop insurance, I hope you are not praying for a disaster; and particularly if you are buying livestock feed security insurance, I hope you do not think it is a lottery ticket you are buying, but it is really insurance you are buying. I think a lot of farmers looked upon it as an easy mechanism to get some lottery money as opposed to insurance.

\* (1630)

We are trying to condition the thinking that it is insurance they are buying, it is not an automatic payout. We do recognize that the program has to be perceived in their eyes as giving real insurance, so when a disaster strikes they do get a payout. It does not create feed for them, but it does give them the money to supplement their feed supply.

**Mr. Laurie Evans:** Mr. Chairman, in one of your brochures though, it does indicate that an individual forage program is available at higher premium rates. What is the distinction there? Can I infer from that the yield then is calculated on an individual producer basis, so that is the basis for payout?

**Mr. Findlay:** Yes, there is a program under the All-Risk Program for cultivated field forage where the payout is based on the person's individual production and the amount of insurance. The uptake on that program has never been as high as it maybe should have been. It is just about 600 contract holders who actually carry that insurance and, let us face it, there are a lot more than 600 producers with forage in this province. For some reason, the uptake on that program has never been as high as it maybe should have been when producers wanted more protection for their field hay. They just have not picked it up for some reason. We have attempted to advertise a little more strongly the fact that the two programs existed, pick whichever one you think suits your needs.

**Mr. Laurie Evans:** This is obviously a question there may not be any clear-cut answer to, Mr. Chairman, but it relates to the question that the Member for Interlake (Mr. Uruski) asked in Question Period, and that was the failure to lock step the two programs together.

Can the Minister indicate just what level of satisfaction is out there among those participants last year? Because as the Minister well knows both, I assume, the critic for the NDP and myself probably only got a small fraction of the number of complaints that went in to MCIC or to the Minister himself. I got the impression that there was a fair level of dissatisfaction out there, but it seems as though the participation in the program would indicate to me that you have satisfied them to at least to the improvements for 1989.

**Mr. Findlay:** You probably noticed that my answers in Question Period, a little bit of frustration has existed on this.

Let us go back in the chronology a little bit. When we saw the figures last year, the monitoring figures, there were a number of figures that I knew farmers would just be upset with, just patchwork quilt kind of figures across the province. There was no good answer as to why that had happened. The corporation used the program, the guidelines, the methodology that they had always used. What had happened and I was not surprised because we did not feel that the program of monitoring was just as good as it could be—no reflection on anybody. It is just that the methodology maybe just is not here to do the best job.

So when we appointed the Appeal Committee, it was done jointly, federally-provincially. The idea was to look at the present production figures and to allow municipalities to launch an appeal on behalf of their producers, if they had any criteria or information upon which they felt they could justify that the figures should be lowered, in other words, production actually less than what was identified through the monitoring process. Some 75 came forward and 51 adjustments were made. I always assumed that once the figure was adjusted and never thought anything different that would apply to both programs, the Livestock Drought Assistance Program and the Livestock Feed Security Program.

Lo and behold, to my ultimate surprise, once the federal Government realized that is what we thought should happen they said, no, that did not fall under the guidelines for the program. I have written two letters and had numerous conversations attempting to explain what had happened and how producers viewed it. The adjusted figures were perceived to be more fairly representing what really happened out in the municipalities. When you look at the map with the figures, it seemed to flow with some greater degree of respectability than the measured figures.

So we are still in that process of attempting to get them to understand that the expectation is there that it is a fair and reasonable payment to make. It should be made under The Crop Insurance Act. Therefore, the amount of indemnities that is paid is going to be recovered with future premiums. So there is no cost directly to either level of Government as far as I can see.

In the long term, the figure we believed that would be paid out under it if we lock stepped everything as we thought it should be, is that the 51 R.M.s, some \$1.5 million of additional payout should be made. We figure approximately 800 producers are involved in this. It may just be a few dollars for some, but it could be a fair number of dollars to some others. I think they mentioned that the R.M. of Argyle is where about 20 percent occur. So we are still pursuing that and the issue is still not dead. I intend to follow it up on Monday in a further verbal discussion to go along with several that have occurred so far and hope that fair and reasonable decisions can end up happening.

**Mr. Laurie Evans:** One final area I would like to touch on, I am sure Mr. Nelson probably has the letter that I sent some time ago and has not had an opportunity to respond to it, but it is a very specific issue regarding

the eligibility for a contract, additional information. I think the Minister is probably aware that there has been some criticism, particularly from women who are farmers and concerned about the specificity of some of the questions.

I would just like to know whether the corporation, through the Minister, is actually looking at revising this particular form to take out some of the questions that I would regard as not essential, I would think, to the decision as to whether the person is eligible for a contract. There are one or two particular questions that I might just relate to because they seem to me as though they really are the type of questions that are going into confidential areas that probably do not—and one of them is, do you live on the same quarter-section as any other farmer? Is that type of information really required? It is just an indicator of the type of information that this particular person objected to having to provide.

**Mr. Findlay:** Certainly, this is a difficult area, a controversial area. Women have the right to be challenging the way they are because they perceive, and justly so, that they are equal partners in that farming operation and there is a greater desire for independence out there. You look at the attendance at the Farm Women's Conference, it is very impressive to see how farm women are deciding that they are farmers and want to get involved in the issues and want to have the opportunities of crop insurance contracts and all the other aspects of running a business. I want to just go back for a moment, a little bit of history, with regard to what is at stake with the issue we have in front of us.

\* (1640)

A few years ago, a corporation, and having been involved in the other end I know a little bit about what happened, allowed contracts to father and son, allowed contracts to brothers. You can have two or three or more contracts in a given farming corporation. One of the things that was said to us in the past year is you have to deal with the abuse. The corporation did, back then, make a decision to deal with the abuse that was occurring when there were several contracts in a given farming operation.

I do not think anybody has to paint the pictures. You can see how you can shift production around and say this contract had a poor crop and this one over here had a bumper crop. That was going on. The corporation felt, I do not know, three, four years ago that they had to reduce it to one contract per farming operation to avoid that abuse. I will be the first to say that probably it was only a few individuals who violated that trust or that good will that the corporation had in place by allowing those extra contracts.

So we have gone back to the one contract per farming unit. Now that obviously means that husbands and wives would not qualify for contracts. Two brothers would only qualify for one contract, father-son, one contract. I think there is equal reason for concern in especially the father-son relationship and partnerships as there is in the marital relationship with the desire to have their own separate contracts.

The corporation, the board, have been tempted to deal with the issue. They have taken that application form that you have in front of you to the Human Rights Commission. They have approved it in terms of the questions being asked in order to determine eligibility as clearly distinct farming operations. If it is determined that it is a clearly distinct farming operation, a separate contract is allowed. Given what I have just said to the Member, with regard to the abuse side, take that into consideration, if somewhere along the line there is a decision made that everybody who makes an application should qualify regardless of anything else, then the premiums to every producer, every contract holder have got to go up some 15, 20, 25 percent just to offset the risk of abuse that will obviously happen if you throw the doors open. You cannot give a contract to wives and say not to sons or not to partners. It has got to be to everybody. Otherwise, you are discriminating against another class. So it is a very difficult question.

I think the corporation has done the right thing in terms of going to the Human Rights Commission and asking their opinion on the questionnaire. There may be certain questions that will not be to the liking of a number of individuals but, looking at what the corporation is facing in trying to be offering a program that is at a low level of abuse and is actuarially sound in the long run, they have to make some tough decisions. I would sure like to see as many women have contracts as is feasible. It is always a difficult question to determine when they are clearly separate farming units, clearly separate, that is very difficult to have. If they do go to giving spousal contracts and the abuse starts to shoot up, it is going to be difficult to deal with.

I would just maybe find out how many spouses do have contracts now. Right now, it is under 100 but many more obviously have a desire to have it, have made application and are asked to fill out those forms.

**Mr. Uruski:** Just let me follow up before I go into my line of questioning for information. Mr. Chairman, on this question, how does the corporation determine eligibility in terms of spousal contracts presently, if there are about 100 now? I say that in the sense that I want to declare our own farming operation with three separate families. Although related by marriage, each of the contract holders originally owned their own land. We did and do have separate storage capacity although, in terms of our poultry side, grain is put into one central unit for feed purposes. We were advised that we should take one contract because of the possibility of abuse and so be it.

I am interested in the question of how the corporation justifies spousal contracts in view of the direction they took about four or five years ago on the question of production units which could be determined separately, but yet were recommended to take one contract from the corporation.

**Mr. Findlay:** What the corporation has been doing is requiring that partnerships, father-son relationships or husband-wife relationships demonstrate independence by some means, whether it is separate land, separate storage facilities, separate lines of equipment, separate

bank accounts. Whatever information they can bring forward to show that they are separate and distinct operations is the criterion that has been used.

Clearly, they are probably going to have to be a little more aggressive in making those decisions in the future because, even with what there is, the potential for abuse is still in place.

**Mr. Uruski:** Mr. Chairman, if that is the basis of the criteria, then clearly it is not very difficult to set up a separate accounting system in terms of accounts. Clearly, there are three separate permit books in—1, probably for want of someone else's example, use our own situation. There are three separate permit books so the beginning of a separate record-keeping system is there. If the banking system in terms of the unit were separated out on the grain, that is not very hard to set up because what you do after is another matter. It clearly should make very few spousal arrangements be allowed if those terms are there. Quite frankly, I am assuming that the spousal arrangements that are presently there have been there as a result of being there prior to that. I guess I will ask the obvious question. Have there been any spousal arrangements that really have been allowed since the change in policy?

**Mr. Findlay:** There has only been one or two in the past two years allowed, but it was because of separation prior to the spousal contract. They were clearly separate units prior to.

The Member is right. It is difficult to apply appropriate guidelines to avoid abuse that will allow spousal contracts. The issue has emerged most noticeably in the past year. I do not think the issue is going to go away. This application form that has been put together, which obviously the odd person is going to have some complaint about some of the questions, may help, but the ability to make clear, distinct and proper decisions is going to be an awful difficult one, and still allow some spousal contracts. I am concerned about the human rights element of it. I am concerned about the fairness issue of it because I believe very strongly that women have equal rights and should have equal opportunity, but we are caught between a rock and a hard spot. What I would like to say to some women, you tell your husband to cancel his contract and put it in your name. That is maybe the easiest way to solve it.

\* (1650)

**Mr. Uruski:** I believe ultimately it is the only way because, in most instances where there is a partnership in terms of land between the two spouses, there is likely joint tenants and joint ownership in the land. Then the contract, I imagine, can be in either or both names so that in terms of discrimination there really need not be some.

Really, in essence—and I would like some comment on it probably from the Minister, in the federal-provincial paper that has been distributed—the issue is risk splitting because that is really what it comes down to. That question is really one that can lead to a fairly extensive amount of coverage if the risk can be split.

Clearly, in any debate on crop insurance from many quarters and certainly many farmers, there are some who would like to insure every field as a separate field, field by field, regardless of the crop. That, in essence, has become a very expensive, very difficult program to monitor. I would like to know, although the issue was raised in this paper, are there any provinces within the system that do allow for risk splitting? Any programs in existence in the country today that do allow this issue?

**Mr. Findlay:** The answer is no, there are not supposed to be. I guess our belief is that we are as far along in this question as anybody else.

Just to further say another word or two about the spousal contracts, if we are required by law to do it, if we have no choice, there is an administrative way that we might be able to do it and that is preharvest appraisal, where for every contract, somebody has got to go out prior to harvest and do an initial assessment as to how the production is split between the two contracts relative to the land that is on each contract. That is a very expensive administrative activity but we may have to do it if we are forced by Human Rights or any other process to get into doing this. I would dearly hope that we would avoid that kind of cost. I guess if we wanted to create jobs in rural Manitoba, that is one way to do it, at an expense to the producer.

**Mr. Uruski:** Mr. Chairman, I for one would say that if that was in fact allowed, and primarily the reason unless it can clearly be shown that the units are totally separate, then the question of costs and the additional administration would have to take place really should be borne by those contract holders. I can tell you that if the rest of the contract holders in the system—this program then would become very much an individualized program. The inherent administrative costs are there.

(The Acting Chairman, Mr. Edward Helwer, in the Chair.)

I remember going back a number of years ago that corporation did in fact attempt to try and separate our production out. In fact, I am sure that they continued to do spot checking and measuring of bins, but that question would have to be addressed completely on an ongoing basis and would be very much an expensive one.

These meetings that are now going on presently, who is in fact chairing the meetings and handling the meetings that are going on? Is it Crop Insurance staff along with board representatives, or what is the make-up of the meetings?

**Mr. Findlay:** The meetings were chaired by Clay Gilson, the chairman of the board, and to the best of my knowledge the entire board was present at every meeting and the staff were there too to help answer questions, give opinions, whatever they were called upon to do. The three meetings have been held, as I said earlier, 40 to 50 people at each meeting. The three different organizations that requested an opportunity for a private audience to put their points of view across

relative to the review paper, and they prepared to receive the same kind of information of any organization of farmers that wants to come forward and have a specific opportunity to lay their concerns and ideas directly in front of the board and the corporation staff.

**Mr. Uruski:** Mr. Acting Chairman, before we go on, I am assuming from the Minister's comments earlier that Monday, he will be in Ottawa so that the House Leaders or the negotiators will be making alternate arrangements in the Estimates process?

**Mr. Findlay:** It is my understanding that alternate arrangements have been made for Monday. I think there has been a gentlemen's agreement that Monday will not be used for Agriculture Estimates.

**Mr. Uruski:** We have a few minutes here, and I would like to stay on the process of the discussion dealing with the discussion paper that is before us.

Mr. Acting Chairman, does the corporation or the Minister have any viewpoints on the question of pricing, the pricing of grain. I am referring to page 6, Unit Prices in the document. This issue has been debated and is being debated in this paper as to what might be the approach. When market prices are far above the cost of production, well, everybody wants the market price. However, when market prices plunge, and I remember the present Minister of Finance and the Member for Morris (Mr. Manness), when market prices plunge and the cost of production far exceeds the returns, why is Crop Insurance not paying at least the cost of production.

**An Honourable Members:** Who said that?

**Mr. Uruski:** You did when you were in Opposition in this House—(Interjection)—Pardon me? No, I am sorry. You were there on that side of the House raising those very same issues and saying, here is cost of production, what is wrong with this damn program, you do not even cover the cost of production? Mr. Acting Chairman, is there—(Interjection)—Pardon me?—(Interjection)—I have to tell you I remember that debate. The Minister of Finance produced statistics, he used Department of Agriculture statistics saying here is the cost of production, here is the land cost, here is the capital cost, here is the operating cost. Why are you not at least giving me my cost back?—(Interjection)—Exactly, now he recalls that debate.

\* (1700)

So, Mr. Acting Chairman, I ask the Minister, is there a preference within the corporation in terms of administrative ease or at least consistency, in which the corporation would at least return the cost of production, or will this be an ongoing feature of trying to relate to the market prices and gear it that way, recognizing that when market prices fall below the cost of production that there may be the accusation and the discussion that it is better to have a loss, have a claim, than to sell the grain. That is the dilemma with cost of production. I would be interested in having the—

**Mr. Findlay:** Mr. Acting Chairman, if I could have 30 seconds, I would like just give a quick response. Crop insurance is production insurance. It is production insurance to protect you from loss of production and that production is only worth what it is worth on the market. Otherwise, you get people playing games when the price is up or if the price is down.

We also have to be concerned with income insurance or income stabilization, and that is a separate issue that should be handled in a separate program sense, whether it is through Western Grain Stabilization or whether the new proposal Grains 2000 can cover it. The two issues are separate and should be handled by separate programs. Production insurance here, income stabilization by another technique is my general feeling. We will elaborate next day.

**The Acting Chairman (Mr. Helwer):** The hour being 5 p.m. and time for Private Members' Hour, committee rise. Call in the Speaker.

## IN SESSION COMMITTEE REPORT

**Mr. Edward Helwer (Acting Chairman of Committees):** The Committee of Supply has adopted a certain resolution, directs me to report the same, and asks leave to sit again.

I move, seconded by the Member for Swan River (Mr. Burrell), that the report of the committee be received.

**MOTION presented and carried.**

## COMMITTEE CHANGE

**Mr. Steve Ashton (Thompson):** With your indulgence, Mr. Deputy Speaker, I have a committee substitution. I move, seconded by the Member for Elmwood (Mr. Maloway), that the composition of the Standing Committee on Industrial Relations be amended by placing the Member for Logan (Ms. Hemphill) in place of the Member for Brandon East (Mr. Leonard Evans).

## PRIVATE MEMBERS' BUSINESS

### DEBATE ON SECOND READINGS—PUBLIC BILLS

#### BILL NO. 13—THE MANITOBA INTERCULTURAL COUNCIL AMENDMENT ACT

**Mr. Deputy Speaker (William Chornopyski):** On the proposed motion of the Honourable Member for Selkirk, debate on second reading of Bill 13, The Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, standing in the name of the Honourable Minister of Culture, Heritage and Recreation (Mrs. Mitchelson). (Stand

## BILL NO. 21—THE UNFAIR BUSINESS PRACTICES ACT

**Mr. Deputy Speaker:** On the proposed motion of the Honourable Member for Elmwood, Bill No. 21, The Unfair Business Practices Act; Loi sur les pratiques commerciales déloyales. The Honourable Member has nine minutes remaining.

**Mr. Jim Maloway (Elmwood):** Mr. Deputy Speaker, as I had indicated the other day, this Bill is merely the same Bill that we had introduced last year as Bill No. 25. We have resubmitted it this year and it is now Bill 21.

I had also indicated last week that the Government, when it attempted last fall to have this Bill ruled out of order, in fact was unsuccessful, and the Speaker ruled that the Bill was in order. Now, Mr. Deputy Speaker, why does Manitoba need such legislation? That is a question that people may ask and the answer is very, very obvious. Every few weeks, we see examples where the public is being mistreated by shoddy business operators. They are not covered under the current legislation because the current legislation, while it was new in its day, in 1969 is now outdated. The old legislation provides for a mediation process and the mediation process, I am sure, has worked well over the years to provide a lot of resolutions, but the bottom line is that people have found that there are too many operators, bad operators, persistently bad operators, who just ignore the mediation process, and the fact is that the Consumer Minister does not have any power.

The latest example of that is the case of the Alberta beef store which I spoke about the other day. In fact, the Alberta beef store, it could be argued may be doing some types of false advertising. It is certainly misleading advertising. Certainly it has been suggested by the CBC in their program that they were offering phony guarantees, and I am sure many of you have seen their ads. They have been operating in Manitoba for the last four months. They are being charged currently in Alberta and, of course, they have a history that takes them back through Alaska where they were charged in that state and in some other states of the United States.

This particular operator, it could be argued, might gravitate to a province like Manitoba that does not have any real effective consumer legislation. The fact of the matter is that upwards of six provinces—and I read the list last time—have Unfair Business Practices Acts in effect at the current time. It makes sense to me that if a business were intent on defrauding people or were intent on carrying on questionable tactics, they would be wise to seek out jurisdictions where there was not a very tough enforcement or tough legislation. Manitoba sits there as a beacon in that regard because it does not have that legislation.

Now, Mr. Deputy Speaker, it is for those reasons that the previous Government was on the verge of bringing in a Bill, and we brought it in last year. I believe that the current Government is considering such a Bill, and I would encourage them to get it introduced and let us get it passed. Because if they wait another couple of months, which I am sure that it will in fact end up

happening, there will be more examples of shoddy operations where people get ripped off and get shafted.

\* (1710)

The Minister will again be able to say, I am sorry, I cannot do anything about it. That is what he said about Alberta Beef. If any one of us were to stand up in the House the other day and ask him a question as to why he was not doing anything about the Alberta Beef store situation, he would say what can I do? We do not have the power. Our Consumer Protection Act does not allow us to step in, to seize the company's records, to order restitution, to do all of these things that might be necessary in this particular case.

There are numerous other cases. Mr. Deputy Speaker, I could show you piles of headlines that I have here of instances where pensioners have been taken by people selling home repairs and sidewalk repairs for grossly inflated amounts, taken advantage of because of ignorance, because of age, because they could not speak the language. This Bill will cover, will serve to protect people from that, because if they are taken advantage of due to their age or due to their infirmities or their ignorance, the Consumers Bureau in the future will be able to step in and right the wrong, will be able to step in and order that the contract be torn up, order that restitution be made to the senior citizen who has been victimized. It is high time that the Government took action, that this Legislature took action and passed this Bill.

**Hon. Harry Enns (Minister of Natural Resources):** Indeed it is.

**Mr. Maloway:** The Member for Lakeside (Mr. Enns) echoes my concern. Thank you very much.

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Deputy Speaker, I move, seconded by the Honourable Minister of Energy and Mines (Mr. Neufeld), that debate be adjourned.

**MOTION presented and carried.**

## SECOND READINGS—PUBLIC BILLS

### BILL NO. 2—THE LANDLORD AND TENANT AMENDMENT ACT

**Mr. Kevin Lamoureux (Inkster)** presented Bill No. 2, The Landlord and Tenant Amendment Act; Loi modifiant la Loi sur le louage d'immeubles, for second reading.

**MOTION presented.**

**Mr. Lamoureux:** Mr. Deputy Speaker, under normal circumstances, I guess I would say that it gives me great pleasure to speak to this, my first Bill that I have introduced into the Chamber, but to be fully honest with you I guess I would have preferred to have spoken on a Bill that would have addressed the wide scope of the amendments that were recommended through a review committee and, if the Government would have been putting it forward, I find it somewhat unfortunate in fact that is not the case here today.

Mr. Deputy Speaker, there are two major reasons why I brought forward this Bill. I feel that it is needed. This is one of the areas in the review committee's report that suggested a substantial change to The Landlord and Tenant Act. In my opinion, it would provide more harmony between both the landlord and the tenant. Another reason is I am hoping by introducing this particular Bill that I will be prompting or giving some initiative to the Government benches to take more action, to look at the rest of the recommendations and to bring forward an amendment to The Landlord and Tenant Act, along with The Residential Rent Regulation Act, to make both Acts that much more better.

In looking at the review committee itself, in August of 1985, a committee was struck by the then Government. Both representatives from the landlords and representatives from the tenants were part of this committee, along with departmental Members. They got together with the goal of coming up with a report that will make The Landlord and Tenant Act, along with The Residential Rent Regulation Act, that much more better. After all, it is these two particular associations or groups of people that the law is there to provide harmony for. By them getting together and coming forward with the recommendations that they did, and there were some 139 recommendations, I think it speaks very well. That is one of the reasons why I felt that it was necessary to bring forward this particular Bill.

Mr. Deputy Speaker, I would like to refer to the past Government—I should not say the past Government—this Government in the priority that they appeared to be giving this particular Bill in terms of when it should be coming up. I should like to quote the Free Press where the Premier was stating, in making reference to this particular Bill, "We will be looking at that (changes) as a candidate for future Sessions." I find that is not the type of approach that we in the Official Opposition Party would have liked to have seen. We supported the committee recommendations in general. We would have liked to have seen this Government take a more aggressive approach to bring forward some legislation last Session. I have said on different occasions that, had that been the case, the Official Opposition would have been more than happy to co-operate with the Government in facilitating the change. After all, this is a change that is going to, as I pointed out, provide that much more harmony between the landlords and tenants.

Mr. Deputy Speaker, what else I picked up from the same article was a quote which I thought I should bring up, and that was from the previous administration. It goes, "The Pawley Government planned to introduce legislation last spring to replace the old Acts had it not been defeated on its Budget," former Housing Minister Muriel Smith said. The NDP Government, by prolonging it indefinitely, was unable to bring forward this legislation, if that was the case, if in fact they did have the legislation. We do not know that. It is always a lot easier to say after the fact that they had the legislation, but we will never know. The point is that if we do not apply pressure on this Government, they can say all they want, that they will bring forward the legislation, but we are waiting for it. Hopefully, by myself introducing this Bill and the Official Opposition taking

a very aggressive role, we will see some type of legislation, hopefully this fall. I do not know if the Minister could possibly get it in before the end of the month. I would be somewhat surprised but I would be pleased if that would be possible.

I thought, Mr. Deputy Speaker, that Mike Ward, in one of his editorials in late June of '88, summed it up quite well in terms of what I have been trying to say here. It goes, "Now the Premier surely must know from his years as Opposition Leader that the route of the Rentalsman's Office backlogged problem is having to settle security deposit disputes up to 4,000 a year, and 25 percent of the total complaints handled annually."

The former NDP Government also knew this, but did nothing. Again, Mr. Deputy Speaker, as Mr. Ward has pointed out, my fear is that this Government will not do anything. Hopefully, by concentrating on that effort that we will get some facts, something in.

Actually, shortly after the time when I understood, and the Premier (Mr. Filmon) stated that they would want to put this on the back burner for now, I had a news release and I had stated that if enacted, the recommendations will create a better atmosphere between tenants and landlords. To delay it is unnecessary and irresponsible. The Government had a fantastic opportunity. The Opposition was willing to co-operate to ensure that we would have good legislation for our landlords and tenants, but the Minister decided to put it on the back burner, and I somewhat regret that.

\* (1720)

Mr. Deputy Speaker, tenants are often blamed for damages done to an apartment unit that could have been there before. I am sure if we look around the Chamber, and we look at family or friends and we ask them the situation, and it is not just necessarily the tenants, there are disadvantages also to the landlord, but in many cases they will go in and the condition might not have been, or I should say, when they actually leave the apartment, they are charged for something. What they are being charged for might not necessarily have been there, whether it is a crack in the cupboard that the tenant noticed or something of this nature. It puts the tenant in an awkward position. He sincerely believes, in most of the cases, he could be correct and that in fact maybe he should be getting his damage deposit back. But because there was no conditional report, he is put in the unfortunate situation that it is not going to be the case.

Landlords are frequently put into a position where unnecessary pressure is put onto them. I am sure, Mr. Deputy Speaker, if you ask the landlords here across the Province of Manitoba, they do not like telling a tenant that, I am sorry, because of the damages that you have put into your units, we are not going to be able to give you your damage deposit back.

Both the landlord and the tenant benefit from something of this nature. What is needed is a detailed condition report that will address this particular problem, one that is mandatory both for the tenant and the landlord. A conditional report will enable both

the landlord and the tenant to prove the actual condition of the rented premises when he or she took occupancy.

If the landlord and the tenant cannot come to an agreement, then the Rentalsman's Office will finalize the agreement. This could likely be more cost-efficient in the long run than it is at currently.

At this time, I would like to revert right to the substance of my Bill, and that is Bill No. 2, The Landlord and Tenant Amendment Act, and make a few brief comments on it. As we go through it and take the highlights out of it, with 79.1, it just gives a definition of a condition report. If you go to the Manitoba Gazette, it gives you something to work on with living room, exterior, kitchen, basement, bathroom, bedrooms, and so forth. This is a thing that is needed and can be worked upon.

Then we go onto Clause 81.1, which is the condition report required. A deposit is withheld until the report is actually filed. This is probably a very key and crucial element to this particular Bill. What we are actually saying here is that a landlord cannot in fact collect the damage deposit until the conditional report has been filled and filed with the landlord and the tenant. It is a very important clause, and I would say that it deserves the support from all three sides of this Chamber.

The next one is a copy of the condition report to the tenant. The tenant receives a copy. This is only to ensure that if by chance the tenant has to go out of the premises one month, one year, 10 years, whenever it is, he can, by looking at his own copy, be able to tell exactly what has been going on in his particular unit.

In terms of 81.3, the delay in completing a condition report, in regard to the condition report shall be completed and signed within seven days and the tenant taking occupancy of the residential premises. If not, Mr. Deputy Speaker, we will go down to 81.5, where we will see that the Rentalsman is to complete the condition report. As I have pointed out previously, the Rentalsman can save a lot of money in terms of going to fill out, where there is a problem in filling out a conditional report, we can save a lot of money in the short term or in the long term if he goes down there to assist where there are problems, instead of assisting in the disputes, because in more cases than most I am sure you will find that in settling the disputes it is a long drawn-out affair and there are a lot of hard feelings on all sides, Mr. Deputy Speaker. I would argue that in the long run, it would be more cost efficient.

Also, in the Bill I have, it commences 90 days after it receives Royal Assent and applies to the tenancy agreement entered into after that day. So we are not talking about retroactivity, we are talking about when someone enters into an agreement, 90 days from the day that it receives Royal Assent, that is the day that it takes effect. That is the day that they would, in fact, fill out the report and do the submissions.

I do not think that this is a controversial Bill. I do not see any reason why we cannot give this Bill Royal Assent. Tomorrow or before the end of June, we will be giving some of the other Government Bills Royal

Assent. We have an opportunity in this Chamber to speak on this Bill today, to let this Bill go into committee, and the Liberal Opposition, even though many of my colleagues would love to be able to speak on this Bill, I am sure would give up their opportunity to speak on this Bill in order that we could have the Government and the NDP speak on this Bill, pass it into committee and then have Royal Assent by next Thursday, let us say.

So in fact what will be happening is the landlords and the tenants of the Province of Manitoba will be the beneficiary of this piece of legislation come this fall. It can be done, if we take away—the politics aside.

I am willing to co-operate with the Minister of Housing (Mr. Ducharme) in terms if he feels that this Bill might not work 100 percent, well, let us get it into the committee. We will iron it out, I am very co-operative, we will iron it out. I look at the Minister of Housing (Mr. Ducharme) as I am saying that and I am sure you would be more than happy to co-operate. We will get it ironed out. We will get it Royal Assent so that the landlords and the tenants of this province will be the beneficiaries of having a good piece of legislation.

Mr. Deputy Speaker, I see my light is flashing before me. I was wanting to comment on the other recommendations. There are many recommendations that need to be acted upon, whether the Government decides to or not to support my Bill or the Opposition's Bill, we will be more than happy to co-operate with this Minister to ensure that we act upon this review that has some 139 recommendations that need to be acted upon, so that we will be able to come forward and have a good legislation for our landlords and tenants, Mr. Deputy Speaker. They deserve it.

I thank you for the opportunity to speak on this particular Bill. Again, we can discuss this. My colleagues will be more than happy to forego their debate on it, we can get it to committee. It is up to the Minister of Housing (Mr. Ducharme) to stand up and comment on it today. Thank you, Mr. Deputy Speaker.

**Hon. Gerald Ducharme (Minister of Housing):** Mr. Deputy Speaker, I move that debate be adjourned, seconded by the Minister of Energy and Mines (Mr. Neufeld).

**Mr. Deputy Speaker:** It has been moved by the Honourable Minister of Housing (Mr. Ducharme), seconded by the Honourable Minister of Energy and Mines (Mr. Neufeld), that debate be adjourned. Agreed?

**Some Honourable Members:** No.

**Mr. James Carr (Fort Rouge):** Mr. Deputy Speaker, may I speak on this Bill, leaving it in the name of the Minister of Urban Affairs (Mr. Ducharme)?

**Mr. Deputy Speaker:** The Honourable Member for Fort Rouge has the floor.

**Mr. Carr:** I am very pleased to rise to put some remarks on the record about Bill 2, The Landlord Tenant Amendment Act, put forward by my colleague, the Member for Inkster (Mr. Lamoureux).

\* (1730)

This is a very progressive and enlightened piece of legislation. It is unfortunate that we, as Members of the Opposition, are in the position of having to introduce it ourselves. This is an idea which has been well-known, both to the former administration and to the current administration. Have they chosen to take any action, Mr. Deputy Speaker? No, so it is left to us in the Official Opposition to urge the Government to look at the wisdom contained within this Bill.

Yesterday, Mr. Deputy Speaker, when I had to mourn the passing of the name "Fort Rouge" from the Electoral Boundaries Commission report, there are many things that I could have said. I spoke at that time about the historical importance of Fort Rouge in the Province of Manitoba, that it included the confluence of the Red and Assiniboine Rivers, is the home as a matter of fact of the seat of democracy, these very grounds and this very building.

One of the principal characteristics of the constituency of Fort Rouge is the number of individuals within it who are renters. What other Member of this Legislature can say that more than 90 percent of his or her constituents do not live in a single family unit, live primarily in rental accommodations and in some cases they are condominium owners.

My constituency is absolutely full of those individuals who will see the wisdom and the merit in Bill No. 2, Mr. Deputy Speaker. What is the problem? How many of those of us in the Chamber, either in our own experience or through the experience of friends and relatives, have run into trouble with coming to terms with how much damage was done in a suite? The landlord says one thing, the tenant says another. How many complaints have Members of this Legislature received by phone or through the mail from constituents of theirs who are having a difficult time. They might indeed be landlords because landlords often would be in a much better position to have some way of assessing and determining, at the front end of a leasing arrangement, just what the condition of a suite is.

So this is not a problem which is abstract or theoretical. It is a problem that we, as legislators, deal with all of the time and certainly in my case, Mr. Deputy Speaker, every week. So what is the problem? The problem is that when it comes time to deal with the security deposit that a tenant has given to a landlord, to try and come up with some determination of what damage has been caused by the tenant and what damage was there before the tenant moved into the suite. Now it is loosey-goosey. There is no way of determining the condition of that suite, and no obligation for there to be some reasoned way of determining the condition of a suite before a tenant can be charged for damage.

This Bill, and I must congratulate my colleague, the Member for Inkster (Mr. Lamoureux), this Bill identifies a problem and sees the logic through to a solution. Let us look at what this Bill says. It says that a landlord should not require or receive a security deposit from a tenant under a tenancy, unless a condition report is prepared by the landlord or the landlord's agent and

completed and signed by the tenant and by the landlord, or the landlord's agent. That is to say we should know exactly the condition of the suite before the tenant moves into the suite.

This kind of very reasoned and responsible language, Mr. Deputy Speaker, protects not only the tenant but also the landlord. They both have to sign. It is not as if the tenant is trying to create a situation which is better than reality, so that some time further down the road the tenant is going to be the beneficiary of something. The tenant and the landlord would agree at the front end of a tenancy to assess the condition of a suite, to sign that condition report and then to have that to be the basis upon which any determination is made at the end of the lease as to how much of a security deposit should be refunded to the tenant.

**An Honourable Member:** It makes sense.

**Mr. Carr:** It makes a great deal of sense. A copy of the condition report should go to the tenant. That is obvious and again just common sense. For any reason, if a condition report cannot be completed and signed prior to the date when the tenant takes occupancy of the residential premises, the condition report shall be completed and signed within seven days. Again it makes perfect sense. In the case of a dispute, and disputes may arise, there may not be an agreement on the condition of a fridge or a carpet or the walls. Then the Rentalsman is asked to determine the condition of the suite, after which time both the landlord and the tenant can sign the condition report which then would be the guiding document when it came time at the end of the day to settle up. Now the Rentalsman may receive a complaint from a tenant, so the Rentalsman shall notify the landlord, request that the landlord pay over any security deposit. Then the Rentalsman will inspect the residential premises, complete the condition report and notify the landlord and the tenant of the results.

Mr. Deputy Speaker, we have out there a serious problem, a serious problem which in this case, and it is quite rare as all of us know, that a serious problem can be solved simply. Not only is the solution easy to administer, likely in the long run cost efficient, but it is of benefit to both sides.

Very often in this Chamber, we are in an adversarial position. We are in the Opposition. We are obliged in some cases to oppose. The Government is in a position to promote. Often there is a divergence of views. There is conflict. Conflict is resolved or it is not resolved. In this case, the Member for Inkster (Mr. Lamoureux) has found a way of taking a difficult problem that affects all of us as legislators, and he has found a solution which is simple, a solution which is in the interests of both Parties and not only one Party.

Mr. Deputy Speaker, again the Government has had ample opportunity to move on this kind of amendment itself. It has chosen not to take that opportunity. I am looking forward to the speech that the Minister of Housing (Mr. Ducharme) is likely to make on this subject, to determine exactly why he and his Government oppose this common-sense approach to a problem which affects so many of us in this Chamber. It is

important that we move on this Bill with dispatch. There are, and as my colleague, the Member for Inkster (Mr. Lamoureux) pointed out in his remarks, fully 25 percent of the complaints received by the Rentalsman's Office are complaints that are centred around this very problem.

The successful solution proposed within this Bill will mean that there will be substantially less complaints on landlord-tenant issues flowing through the office of the Rentalsman, as many as 4,000 complaints a year. Not only does this Bill identify and solve a problem, it also solves it in such a way as to likely reduce the administrative burden on the system, not increase it.

I look forward to the debate that will ensue in the Chamber on this very progressive and enlightened piece of legislation, Mr. Deputy Speaker. I command all Members of the House, from all Parties, to give it speedy and quick passage. Thank you, Mr. Deputy Speaker.

**Mr. Deputy Speaker:** The Bill will continue to stand in the name of the Honourable Minister of Housing (Mr. Ducharme).

#### **BILL NO. 17—THE EMPLOYMENT STANDARDS AMENDMENT ACT**

**Mr. Deputy Speaker:** Bill No. 17, The Employment Standards Amendment Act; Loi modifiant la Loi sur les normes d'emploi, standing in the name of the Honourable Member for Thompson. (Stand)

#### **BILL NO. 20—THE MUNICIPAL ASSESSMENT AMENDMENT ACT**

**Mr. Deputy Speaker:** Bill No. 20, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Member for Sturgeon Creek. (Stand)

\* (1740)

#### **BILL NO. 22—THE CONSUMER PROTECTION AMENDMENT ACT**

**Mr. Jim Maloway (Elmwood)** presented Bill No. 22, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur, for second reading, to be referred to a committee of this House.

#### **MOTION presented.**

**Mr. Maloway:** This Bill was originally submitted last year as Bill No. 26, and it is now resubmitted as Bill No. 22. The Member for La Verendrye (Mr. Pankratz) was indicating to me a little earlier that we are getting pretty confused here. This Government is confusing us, because we have introduced the Bills all under a certain numbering system last year, and now we have to reintroduce them under another number. You need a program to figure these things out.

Mr. Deputy Speaker, this Bill is fairly straightforward, fairly simple. It is split into three parts, one changing

the cancellation clause on direct sales from four days to seven. It deals with prepaid services such as dancing lessons and tai-kwon-do lessons and the like, and the biggest part of the Bill is the requirement that the suggested retail price stickers remain affixed to the window of the car until the time that it leaves the dealer's lot, until it is sold, as the Member for La Verendrye (Mr. Pankratz) points out.

Mr. Deputy Speaker, in the first instance, the cooling-off period, we felt that seven days as opposed to four was a reasonable figure. We determined that in Saskatchewan their law reads 10. They allow 10 days for a cooling-off period. We felt that seven was a nice, happy medium and a compromise. That represents the day in which people can cancel the contracts and have their money returned in the case of door-to-door sales, such as vacuum cleaners and the like.

Mr. Deputy Speaker, the second amendment will add a new section dealing with prepaid services. Many consumers over the years have lost hundreds of dollars due to the sudden closures of health spas, dance studios, martial arts schools, similar companies. In fact at least two MLAs, one former and one current, have related to me stories over the last couple of years of having lost money. Not in dance studios, so I can conclude MLAs, former or current, either do not dance or are excellent dancers, but these were in health spas. In one case, the MLA lost \$500 or \$600, and he determined in the end that in fact he got more exercise walking to the health spa than he did at the health spa. He signed up for one of these lifetime contracts.

We feel we should limit the contracts to one year on a renewable basis with a minimum of two payments, so that in fact people who do sign up for contracts for multiyear —(Interjection)— The Member for St. Norbert (Mr. Angus) says nonsense. You know, maybe he is in favour of health spas signing up people for lifetime memberships, or dance studios. Maybe he supports dance studios who sign up elderly people for lifetime memberships in dance schools. Well, he indicates that he might support that, but that is distressing coming from a Member of the Liberal Party who should know better.

Mr. Deputy Speaker, the third amendment deals with a section requiring the car dealers to keep the manufacturers' suggested retail price stickers on the car until it is sold. This law is in effect in Ontario. In Manitoba, it is very, very, interesting what happens. I do not think most people realize this.

The cars come into Manitoba on the U-Hauls or on the trains, and they come with the manufacturers' suggested retail price on them. They are on the car already. The car dealers, when they take these cars to their lots, they have somebody, one of their staff goes out and physically removes these stickers. If you go out into certain car dealerships' back lots in the city in the heat of the summer, you will find the stickers, a lot of them still on the windshields, in the back lots, some partially torn off. What happens is before these vehicles are brought into the showroom or brought up to the front lot, the sticker is cleaned off completely and they affix their own which is customarily about \$2,000 higher. Their rationale is to basically give

people—I am sure the Motor Dealers' Association explained this in detail to Liberal Caucus last year when they met, but the idea is to basically give people what they want for their trade-in, because they have \$2,000 to play with.

They probably argue that this is a good practice. I do not think so, because a lot of people who are not that informed, as consumers may not know any better, will go in and think they are being given something here when they are not. They have \$2,000 extra to play with, and they can pull back by \$1,000.00. The consumer thinks that he or she got a good deal and the fact of the matter is that —(Interjection)— Well, the Member for La Verendrye (Mr. Pankratz) suggests we go to Steinbach to buy a car. I know a lot of people do, but in Steinbach too they do not have the manufacturers' suggested retail price stickers on those car windshields.

When I have talked to car dealers in this province, I have run into the odd car dealer who supports this legislation, but they always say, do not attribute that to me. Do not quote me, because I do not want to get into trouble with the Motor Dealers' Association. Clearly, the Liberal Caucus does not want to get into trouble with the Motor Dealers' Association either, because they met with the Liberal Caucus last year and brought the Liberal Caucus very quickly around to their point of view that these stickers should not be there.

\* (1750)

I would hope that the government Caucus would have a little more sense than that. Most of these motor dealers are Conservatives anyway, and they only represent a couple hundred votes. I do not think the Government would look at it that way. I think the Government recognized that this is a popular thing, and I believe that they are more than likely going to act on this measure this Session. At least, that is the sense that I have.

Mr. Deputy Speaker, the Car Dealers' Association has certainly proved to be effective when dealing with the Liberal Caucus. Up till now, I suppose they probably feel they have a fairly good record with the Government caucus as well, but I hope that will end soon. Thank you very much.

**Mr. Deputy Speaker:** Is it the will of the House to call it six o'clock? Is it the will of the House to adopt the motion on Bill No. 22? Is it agreed?

It has been moved by the Honourable Minister of Housing (Mr. Ducharme), seconded by the Minister of Energy and Mines (Mr. Neufeld), that Bill No. 22 be adjourned.

**MOTION presented and carried.**

**Mr. Deputy Speaker:** Is it the will of the House to call it six o'clock? The hour being six o'clock.

**Some Honourable Members:** No, no.

## BILL NO. 23—THE CONSUMER PROTECTION AMENDMENT ACT (2)

**Mr. James Maloway (Elmwood)** presented Bill No. 23, The Consumer Protection Amendment Act (2); Loi no. 2 modifiant la Loi sur la protection du consommateur, for second reading and referred to a committee of this House.

**MOTION presented.**

**Mr. Maloway:** The Member for St. Norbert did not get enough of joking around last night and he wants to come back for a second try here and call it six. I mean, I would suggest that he be patient for the next six minutes and he will learn a little bit about The Consumer Protection Act and about deposit legislation, and he may not like deposit legislation, but he should learn a little bit about it to know why he does not like it.

Now, Mr. Deputy Speaker, this Bill offers amendments to the legislation and limits the amount of deposits that a business could take to 20 percent of the selling price in any retail sale of goods. Now, the reason we picked 20 percent, as a matter of fact, you could say that this Bill is really designed to protect those who put down large deposits because the original intention of the Government, when it introduced the Bill some years ago, was to limit it to, I believe originally, 5 percent but then they amended it in committee to 10 percent.

We all agree, even our caucus agrees now, that 5 percent in fact is too low and 10 percent in fact would be too low. Most people, even businesspeople I have talked to, agree that 20 percent on a deposit is sufficient, is a sufficient deposit. Another provision of the Bill, Mr. Deputy Speaker, is that all deposits in excess of \$500 per transaction be held in trust. This is so that if the business happens to go bankrupt that your deposit money will in fact be there for you. I am aware of people who have lost money last year in the case of the sunrooms. There are evidently equipment dealers in Manitoba that have gone bankrupt in past years and left farmers losing their deposits. So we feel that this will certainly catch the upper end, the Bill is designed to catch the upper end of the deposit problem.

In fact, under The Real Estate Act, when a person buys a house in this province and they put down \$500 or \$1,000, the deposit is put in a trust account, as simple as that. It is not allowable that the real estate broker use that money for their cash flow of their business, and so we do not see where this should be any different.

Now, Mr. Deputy Speaker, I detailed last year cases of Mr. and Mrs. MacLellan who lost \$6,800 on a sunroom from Omega Leisure Service and Mr. and Mrs. Bleasdale and several others, and to these people when I spoke with them last year it was a very, very traumatic position for these people to be in, but they are not going to get their money back. That money is gone, they will never see it.

This is just a sad truth and if we pass such legislation we are not going to prevent people from doing things that verge on fraud. We are not going to prevent

bankruptcies by this, but at least we are going to catch more of these operations before they become real serious problems.

Now this legislation is actively supported by the Consumers' Association of Canada. Anyone who wishes to check that certainly can do that. They have been actively lobbying the Government for legislation of this type. I think the businesspeople I have talked to certainly support this type of legislation. The main arguments against it originally was the problem with it being too low, 5 and 10 percent. Businesses came to the committee back in 1983 and argued that it was going to be a paperwork nightmare, that they would have to hire extra accountants because they would have to keep small deposits, \$50, \$60 in a trust account. This Bill addresses that by making it 20 percent and making it \$500 and up for trust situations, very similar to what real estate agents, real estate brokers are familiar with right now.

I have also argued that businesses should not have to rely totally on customers' deposits. You have some businesses operating in town that probably should not be if their whole cash flow is nothing more than customers' deposits. Surely, a business should be able to obtain a line of credit at the bank, should be able to obtain credit with suppliers, and if they cannot obtain a line of credit at the bank, if they cannot obtain credit with suppliers, one wonders whether they should be

holding themselves out as a business in the first place, because they obviously do not have the financial wherewithal to carry contracts and so it seems to me that—

Also, we excluded from the Bill some of the people who made representations at the committee in 1983. The Retail Monument Dealers Association, the retail dealers in custom clothing, garments and shoes, because after all what can you do with custom-made shoes that are made for an individual? What can you do with a monument, a headstone that is made for one individual? If you have a headstone made for somebody and then you decide you do not want it, it puts the retailer in a very bad situation. I would say that these are all the exclusions that are put in the Bill that—

**Mr. Deputy Speaker:** The Honourable Member's time has expired.

**Mr. Maloway:** —but more could be added if—

**Mr. Deputy Speaker:** No, it has not expired. The hour being six o'clock, I am interrupting proceedings according to the rules. When this matter is again before this House, the Honourable Member will have nine minutes remaining.

This House is now adjourned and remains adjourned until 10 a.m. tomorrow morning (Friday).