

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 19, 1989.

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### TABLING OF REPORTS

**Hon. Gerrie Hammond (Minister of Labour):** I am pleased to table the Actuarial Report on the Public Service Group Insurance Fund as at December 31, 1988.

### INTRODUCTION OF BILLS

#### BILL NO. 62—THE CITY OF WINNIPEG AMENDMENT ACT (3)

**Hon. Gerald Ducharme (Minister of Housing):** introduced, by leave, Bill No. 62, The City of Winnipeg Amendment Act (3); Loi no 3 modifiant la Loi sur la Ville de Winnipeg.

#### BILL NO. 67—THE SOCIAL ALLOWANCES AMENDMENT ACT

**Hon. Charlotte Oleson (Minister of Family Services):** introduced, by leave, Bill No. 67, The Social Allowances Amendment Act; Loi modifiant la Loi sur l'aide sociale. (Recommended by His Honour the Lieutenant-Governor)

\* (1335)

#### BILL NO. 72—THE SECURITIES AMENDMENT ACT

**Hon. Clayton Manness (Minister of Finance):** introduced, on behalf of the Minister of Consumer and Corporate Affairs (Mr. Connery), by leave, Bill No. 72, The Securities Amendment Act; Loi modifiant la Loi sur les valeurs mobilières.

#### BILL NO. 68—THE COURT OF APPEAL AMENDMENT ACT

**Hon. James McCrae (Minister of Justice and Attorney General):** introduced, by leave, Bill No. 68, The Court of Appeal Amendment Act; Loi modifiant la Loi sur la Cour d'appel.

#### BILL NO. 69—THE LAW SOCIETY AMENDMENT ACT

**Hon. James McCrae (Minister of Justice and Attorney General):** introduced, by leave, Bill No. 69, The Law Society Amendment Act; Loi modifiant la Loi sur la Société du barreau.

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions, may I direct Honourable Members' attention to the gallery where we have from the Governor Semple School, nine Grades 5 and 6 students under the direction of Mr. Buchanan. This school is located in the constituency of the Honourable Member for St. Johns (Ms. Wasylcya-Leis).

Also this afternoon we have 16 visitors from the English Second Language Program, and they are under the direction of Mrs. Nancy Pierce.

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

### ORAL QUESTION PERIOD

#### Freedom of Information Act Ombudsman Report

**Mrs. Sharon Carstairs (Leader of the Opposition):** My question is to the Minister of Rural Development (Mr. Penner). Mr. Speaker, today the Ombudsman issued a report on the request of the MGEA for information that had been filed under the access to information and freedom of information legislation. The Ombudsman said: In conclusion, it is my opinion that you should have been granted access to the information you requested from Manitoba Rural Development.

Will the Minister inform the House today if MGEA will now, this very afternoon, be given the information that they requested?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, as indicated by myself in Question Period last week, this Government would abide with any recommendations or conclusions drawn by the Ombudsman in his investigation in this matter, and indeed information will be released forthwith.

**Mrs. Carstairs:** Mr. Speaker, we would like full clarification. The Ombudsman only referenced the information by the Department of Rural Development. They have requested additional information from the Department of Finance. Will the Minister of Finance also grant this afternoon that information to MGEA?

**Mr. Manness:** Two points need to be made, Mr. Speaker. Firstly, I have not myself read the recommendation by the Ombudsman so I have not seen the context in which he has made his recommendations completely. After we have had a time to digest that report, in accordance with the listing of information within the Department of Finance, that decision will be made thereafter.

## Freedom of Information Act Gag Orders

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, but the Ombudsman was very clear. He could only look at one specific Government department and so he gave a response to that. He is prepared to look at others. Will the Premier tell this House this afternoon if he will tell all of his Ministers to no longer put gag orders on the information available from freedom of information and stop having his Ministers making new law on the fly?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will look with interest at the report of the Ombudsman and will be guided by that report in the discussions that I have thereafter.

\* (1340)

## Northern Telecom Contract Job Security

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, I have a new question to the Minister responsible for Manitoba Telephone System (Mr. Findlay). On September 28, the Government announced that they had awarded a \$66 million mega contract to Northern Telecom. The president of Northern Telecom stated "The work will be done elsewhere."

The Minister responsible for MTS stated that "The provincial Government had no objection to sending the work elsewhere." On September 29, the same Minister stated in this House when defending the fact that this work will indeed be performed outside of Manitoba that "We are taking a rational approach of dealing with interprovincial barriers so we can guarantee the 500 jobs in Manitoba."

Mr. Speaker, my question to the Minister responsible for Manitoba Telephone System is this: can the Minister assure this House and indeed all Manitobans that there will be no layoffs at Northern Telecom at the end of this month?

**Hon. Glen Findlay (Minister responsible for The Manitoba Telephone Act):** On the day of that announcement I visited Northern Telecom's plant in the City of Winnipeg and was very impressed with the degree of technology that is in operation there and the success they have had on the international market of selling the communications equipment all over the world, including into Japan. We have been assured that they are very successful in their operation and they are not aware of any intention to lay off any people at that plant. In fact, they have been a growing industry in a competitive sense and to the best of my knowledge doing a very good job in terms of producing their equipment there and selling it worldwide. I have no knowledge of any job layoffs.

**Mrs. Carstairs:** I have a supplementary question to the same Minister. Can the Minister, in that this \$66 million mega contract was, according to the Northern

Telecom employees, the largest single contract ever given in western Canada, what specific assurances has the Minister had from Northern Telecom that they will not only maintain existing jobs at the Manitoba plant but increase jobs in the Province of Manitoba?

**Mr. Findlay:** In the process of awarding that contract, the Manitoba Telephone System over the next few years, in terms of buying digital switches, has saved some \$30 million, so it has reduced the cost of telephone service to subscribers of Manitoba.

I can tell the Leader of the Opposition (Mrs. Carstairs) that in the process of our discussion they did commit to me that they were in an expansion phase with that industry that is here in Manitoba, a very progressive and aggressive industry. I have no knowledge of what she is saying about any job layoffs. If there are any we will be following up on it this afternoon immediately.

**Mrs. Carstairs:** My office received a phone call this morning which would indicate that 65 jobs will be terminated at Northern Telecom at the end of this month. Mr. Speaker, we made contact as soon as we could with Northern Telecom. They literally put us on hold, would not confirm or deny that such layoffs were to be undertaken.

Will this Minister, as the Minister responsible for the Manitoba Telephone System, make contact immediately in order to alleviate the fears of the employees, if it is indeed only fear that they have at the present time?

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

**Mr. Speaker:** Order, please. The Honourable Member's question is hypothetical. Would the Honourable Member kindly rephrase her question?

**Mrs. Carstairs:** Mr. Speaker, my question, very simply, is to the Minister. Will he phone Northern Telecom and will he ask Northern Telecom if there will be layoffs at the end of the month?

**Mr. Findlay:** Mr. Speaker, I will contact Northern Telecom immediately after Question Period to determine if there are any layoffs. I will also ask them if there are permanent jobs being laid off, or were they temporary jobs who were hired for a specific period of time which they knew when they took the job? I will ask that question also.

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

**Mr. Findlay:** What is the "oh, oh" about? Mr. Speaker, I find it unfortunate the Members on the other side are not interested in the whole facts and all the truth. I will find that out and report back.

\* (1345)

## Manitoba Telephone System Jurisdictional Control

**Mr. Gary Doer (Leader of the Second Opposition):** Yesterday we heard that the federal Government was

going to unilaterally take over the telecommunications industry in this country. The shared responsibility of the telecommunications was now going to be taken over unilaterally by the federal Government. Today we have unfortunately had it confirmed that not only will the federal Government take over the communications industry, but the Liberals will be supporting the Telecommunications Bill, contrary to the comments in this Chamber.

Only the New Democrats are fighting this issue in Ottawa, opposing the Bill. My question to the Premier is: notwithstanding a court case which has very limited ability to succeed, given the fact that we have already had a court decision dealing with the Constitution, how are we collectively going to declare war on the federal Government and Parties in the federal House of Commons that are supporting the federal Government to reverse the decision of the unilateral takeover of the Manitoba Telephone System and the western telephone systems in this country?

**Hon. Gary Filmon (Premier):** I appreciate the question from the Leader of the New Democratic Party (Mr. Doer). He knows that when I raised this issue in the Legislature yesterday I indicated our outrage and our determination to fight this matter in whatever way we could. Not only have I written to the Honourable Marcel Masse this morning indicating our absolute opposition to this and insisting that he withdraw this proposal at the present time, but I have been in touch this morning on the telephone with Premier Devine and we have agreed that together we will both be in touch with Premier Getty. We will pool all of our resources and we will act collectively to fight this in every way that we have at our disposal including whatever legal means.

I must admit that I was shocked when I received information that the federal Liberal Party, through their Official Opposition Critic Sheila Finestone, has issued a news release expressing their support for this legislation. I have to ask myself, where was Lloyd Axworthy, where was John Harvard, where was Ron Duhamel when the federal Liberal Party was taking this position on this particular issue?

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

**Mr. Speaker:** Order, order. The Honourable Member for Concordia.

**Mr. Doer:** Mr. Speaker, I would hate to agree with the Premier on part of this statement, but one must ask the next question. It is a very serious one. Where was Jake Epp, where was Charlie Mayer, where was Don Mazankowski, where was Joe Clark, where were the federal Tories in terms of standing up for western Canada and the right of public telephones to operate in this country? What war measures has the Premier used, what can we do to win this case? Not some affidavit in a court. Let us really fight. What does the Premier intend on doing to have an all-Manitoba fight to fight for our Telephone System, something that was established 60-70 years ago.

**Mr. Filmon:** I have indicated publicly and I will confirm for all Members of the Legislature that we are

investigating every possible means to stop the federal Government, including opinions from our lawyers for the Crown, constitutional jurisdictional opinions and whatever we can get. We have also suggested that together we will collectively share information and support each other's efforts with regard to Saskatchewan, Alberta to get all three prairie provinces to fight this particular issue, Mr. Speaker. We will do everything within our means. I have written to the Honourable Marcel Masse and indicated to him this is totally unacceptable, and we will fight this and oppose it with every means that we have available to us.

\* (1350)

### **Freedom of Information Act Ombudsman Report**

**Mr. Gary Doer (Leader of the Second Opposition):** I have a supplementary question to the Minister responsible for The Freedom of Information Act. I have also read the decision, and I am sure the Minister has, from the Ombudsman dealing with the withdrawal and withholding of information.

Given the decision of the Ombudsman in terms of the specific denial of information that was not considered sensitive, would the Minister agree to put in place a system so that in the new Freedom of Information Act, the implementation of which we applaud, there is a universal policy and system, so that we do not have ombudsmen's decisions reversing Ministers' decisions?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, on this issue the Act says—and it was the Act that was brought in by the former Government—in Section 43 under Economic interests of Manitoba, Subsection (c) says the disclosure of which—and this is the head of a department, may refuse to give access to any record, the disclosure of which could reasonably be expected to prejudice the competitive positions of a department or the Government or interfere with contractual or other negotiations of a department of, or the Government.

Mr. Speaker, the Government with the respect to the divestiture of MDS read that and interpreted in a fashion which gave it some confidence that in the best interests of the shareholders of Manitoba should probably consider withholding some certain information, listings and headings.

Mr. Speaker, the Ombudsman has taken that section put into legislation by the former NDP Government and has given it a different interpretation. We will abide by the Ombudsman's rule.

### **Legislative Library Act Violation**

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, because the Ombudsman did say pursuant to that section that he did not, in his opinion, feel that information was sensitive or crucial to negotiations, my final question to the Minister responsible for the

divestiture of the Manitoba Data Services is: has he received a legal opinion pursuant to The Libraries Act, a question raised in this Chamber before in terms of confidentiality of information? Secondly, given what has happened with the telecommunications industry and all the problems in the telecommunications industry, will he stop the sale of a data business that potentially could go to companies like Systemhouse that are owned by places like Bell Telephone Company in light of all the changes that are happening federally within the telecommunications industry?

**Hon. Clayton Manness (Minister responsible for and charged with the administration of The Manitoba Data Services Act):** Mr. Speaker, there are many questions considered or brought forward by that one question. Let me say firstly with respect to the legal opinion that was sought by the Government that legal opinion has not yet been delivered, certainly to me at this point in time, as to whether or not the certain stipulations or regulations under The Libraries Act preclude the release of certain amounts of information.

With respect to the broader issue as to whether the divestiture potential—and I underline that word, potential divestiture—of MDS should continue, given some of the uncertainties with respect to the telecommunications world.

Mr. Speaker, let me say in all honesty, the consideration of the divestiture of MDS still will continue. We will look at some of the side issues which have great potential impact, but let me also say that the records and information associated with Manitobans, however they are listed or recorded, will not be put at risk.

\* (1355)

### Health Care Acute Care Beds

**Mr. Gulzar Cheema (Kildonan):** Mr. Speaker, the emergency departments of numerous hospitals continue to experience overcrowding. At Seven Oaks Hospital patients have to wait for days to weeks in hallways, waiting room and observation room. An infected patient suffering from a stab wound was put in a corridor yesterday because of lack of acute care beds. Can the Minister of Health (Mr. Orchard) tell us why he has allowed this situation to develop to a crisis level?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, my honourable friend uses terminology that may well cause undue alarm. Emergency departments of hospitals throughout this city are busy, busy places, and from time to time people do not have readily at their disposal a bed for their care.

That is the nature of an emergency part of a hospital. It is to deal with emergencies and to give quality care very, very rapidly to those in need. The balance of the care takes, from time to time, additional hours and sometimes days to achieve a bed, but those circumstances are the minority and the infrequent occurrence rather than, as my honourable friend would lead us to believe, the majority occurrence.

**Mr. Cheema:** Mr. Speaker, this Minister should simply make a phone call and find the facts. Some patients are waiting for a few days, and a few of them are waiting for a few weeks.

My question is now: there are 75 beds at Seven Oaks that are occupied by chronic-care patients. One is waiting for four years. This Minister has not shown any innovative ideas. He is wasting taxpayers' dollars. Can he tell us what specific steps he will take to ensure that the patients are getting the emergency treatment at all hospitals in Winnipeg?

**Mr. Orchard:** I have to reject absolutely my honourable friend's allegation that some individual has waited four years for emergency treatment. That is an absolute distortion and misrepresentation of the truth.

**Mr. Cheema:** Mr. Speaker, with all due respect, he needs a hearing aid. I said a patient is waiting for four years in a chronic-care bed just to find a placement in a nursing home.

### Emergency Services

**Mr. Gulzar Cheema (Kildonan):** My next question is: what specifically has this Minister put forward to make sure that all the emergency care is provided at an adequate time, not for a few weeks? Can he tell us today?

**Hon. Donald Orchard (Minister of Health):** My honourable friend surely is not leaving and wanting to leave the impression to the House that people arriving at emergency wards in the hospitals of Winnipeg are not receiving treatment, because they are. They are receiving that treatment.

If my honourable friend were to visit some of those emergencies he will notice on every single one of them that there is a prioritization into three categories - (interjection)- I wonder if my honourable friend would care to listen to the answer of the question he posed? I am trying to provide an answer to my honourable friend and he appears not willing to listen.

There are three categories of patients, and the hospitals have prioritized them so those that need immediate service receive same, those that can wait two to three hours are advised of that upon entry to the emergencies, and those that are not an emergency wait longer periods of time.

That is a medical judgment at every emergency ward in the City of Winnipeg and is appropriate medical decision-making.

### University of Manitoba Ophthalmology Program

**Mrs. Iva Yeo (Sturgeon Creek):** Mr. Speaker, in 1984 the ophthalmology program at the University of Manitoba Medical College closed without a blink of the eye. This happened after nine years of provisional service.

There is a strong community action building, demanding the reinstatement of this essential program.

It is clear that many Manitobans want this ophthalmology residence program back.

What has the Minister of Education (Mr. Derkach) done to date to work towards the reinstatement of the ophthalmology program at the University of Manitoba Medical College? Has he talked to the Dean of Medicine and the Universities Grants Commission?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, might I take the liberty of answering this question since the CEE, the organization that has been very pro-active since 1984 and the cancellation of the ophthalmology program, has been working with myself both as critic and most recently as Health Minister. We are sincerely interested in pursuing the reinstatement of the ophthalmology program at the Faculty of Medicine.

\* (1400)

Mr. Speaker, I think my honourable friend would be pleased to know that a number of steps, a portion of which is in terms of a reorientation of the existing ophthalmology program at the Health Sciences Centre, as well as the acquisition of certain very specialized equipment that can be used in a reinstated training program, are now in place. We are in negotiations and discussions with the Faculty of Medicine in terms of the funding requirements that are necessary for any reinstatement of that program.

**Mrs. Yeo:** Mr. Speaker, this is to the Minister of Education (Mr. Derkach). Without the residency program, research and development cannot carry on. What concrete measures can we expect from this Minister to encourage that in the next few months our province will not fall even further behind than it is today?

**Mr. Orchard:** Well, Mr. Speaker, again I take the liberty of responding to my honourable friend. The ophthalmology program is one that I think most Manitobans feel a great deal of attachment for. It is unfortunate that in 1984 it was no longer part of the training program.

Let us put these issues into context. We inherited, 16-17 months ago, a rehabilitative therapy program that was severely restricted in terms of its ability to train and graduate physiotherapists and occupational therapists in the Province of Manitoba. My colleague, the Minister of Education (Mr. Derkach), provided additional resources through the University Grants Commission to reinstate that faculty and enhance its enrolment. We intend, Mr. Speaker, to address this problem in the longer-term context as well.

### Ophthalmologists Recruitment

**Mrs. Iva Yeo (Sturgeon Creek):** Given that studies have shown that the majority of physicians tend to practise within a 60-mile radius of their place of training, for the Minister of Health, what vision can you ensure and provide that within the next few years there will be enough ophthalmologists available in the Province

of Manitoba to practise, being that there are many who are going to retire within the next year or so?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, that is exactly one of the issues that is important in influencing the decision of this Government to attempt the reinstatement, in co-operation with the Faculty of Medicine. The Government does not do this alone by any means, government only does this in co-operation with the Faculty of Medicine and the University of Manitoba. That is one of the reasons why we are anxious to pursue the reinstatement of ophthalmology.

Mr. Speaker, let me tell my honourable friend that the program of ophthalmology has changed very significantly over the last several years to one in which most of the procedures are done on an out-patient basis. That significantly changes the training environment.

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

### Day Care Policy Study

**Ms. Judy Wasylcya-Leis (St. Johns):** Mr. Speaker, this Government is busy revamping our child care system and creating a day care program where wages are low, where private for-profit operations are encouraged, where parents pay the full costs of child care. This is at a time when other jurisdictions are looking at Manitoba's system as the model. My question to the Minister of Family Services (Mrs. Oleson): is this new policy direction based on any empirical data, or is the Minister aware of any recent studies correlating affordable accessible quality care with wages, with privatization, and with costs borne by parents?

**Hon. Charlotte Oleson (Minister of Family Services):** Mr. Speaker, I did not create the system that has wages underfunded. The Member who asked the question, her Government can take the credit for that one.

As I have informed the House before, we will be appointing a working group to look at the funding of child care in this province, and all those matters will be taken under consideration by that committee.

### Americanization

**Ms. Judy Wasylcya-Leis (St. Johns):** Mr. Speaker, I am surprised they have announced a policy direction and now they are going to study it. I would like to point out for the Minister a valuable study just recently released in the United States, and I would be happy to table it for the Minister—

**Mr. Speaker:** Order, please. And the Honourable Member's question is?

**Ms. Wasylcya-Leis:** That study, the National Child Care Staffing Study, shows that—

**Mr. Speaker:** Is there a question here? Is there a question? Kindly put your question now, please.

**Ms. Wasylcia-Leis:** Given that study shows that quality care is tied to higher wages, non-profit centres, qualified staff and lower rates of turnover, my question to the Minister is this: is it this Government's intention to Americanize our child care system, to move to a social assistance model for low-income families and a free-for-all unaffordable system for the majority of families in this province?

**Hon. Charlotte Oleson (Minister of Family Services):** Mr. Speaker, no.

### Funding

**Mr. Speaker:** The Honourable Member for St. Johns, with her final supplementary question.- (interjection)- Order. Order, please. The Honourable Member for St. Johns.

**Ms. Judy Wasylcia-Leis (St. Johns):** It is interesting that both the Conservatives and the Liberals want the Government to pay big when it comes to private schools like St. John's-Ravenscourt, facilities for the elite in our society -(interjection)-

**Mr. Speaker:** Order, order. I cannot hear the Honourable Member's question. The Honourable Member for St. Johns.

**Ms. Wasylcia-Leis:** I want to know, given the fact that they will not support day care for all parents and their families, why does this Government, of course I would like to know it for the Liberals as well, but why—

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

**Mr. Speaker:** Order, order. The Honourable Member for St. Johns.

**Ms. Wasylcia-Leis:** My question is to the Minister. Why does this Government want to subsidize private schools at 50 percent but give nothing to public parent-run high quality centres where parents already pay 70 percent of the costs?

**Hon. Charlotte Oleson (Minister of Family Services):** Well, I will not comment on the school part of the issue because that is for the Minister of Education (Mr. Derkach) to discuss. As I indicated, we are looking at the funding mechanism by which day cares are funded in this province, and when we have our proposal to bring before the House, we will bring it.

### Airport Protection All-Party Agreement

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, the Minister of Urban Affairs (Mr. Ducharme), when recently questioned on the issue of the Pines Residential Development which is right under the flight path of the main runway at our airport, came back with an answer that he was concerned with airport protection on one hand, but he was also as concerned about seniors development in that area. So we had a pro on one side

and a con on the other, and that left him, to quote him, neutral.

My question is this: can the Minister of Urban Affairs speak to the issue of airport encroachment, given that the zoning and other approvals were through City Hall last night, and will he initiate discussions with the federal and city Governments to develop a long-term airport protection agreement at all three levels?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, to explain to the Member for Wolseley (Mr. Taylor), I do wear two hats. I wear one as Housing Minister and I wear one as Urban, and those are the answers I gave when he brought them up in previous questions.

### The Pines Project

**Mr. Speaker:** The Honourable Member for Wolseley.- (interjection)- Order. I have recognized the Honourable Member for Wolseley.

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, I guess a pro and a con leaves you neutral.

The Pines project is a low-rise townhouse condo development. Will the Minister of Urban Affairs, in the interim of getting that long-term agreement, insist that caveats be placed on those condo units so that the future owners of those condos cannot come back at the airport administration for noise impacts?

**Mr. Speaker:** Order. Order, please. The question has been put. The Honourable Minister of Urban Affairs.

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, I have met with the people in regard to the Pines and the groups in St. James that are concerned on both sides. I have also met with several councils that were concerned before the previous vote came through at council. I have not received the official proposal from City Council on third reading. When I receive that, then I will make a comment.

**Mr. Taylor:** We will be waiting for both the long- and short-term leadership on this matter.

\* (1410)

### The Pines Project Riverbank Protection

**Mr. Harold Taylor (Wolseley):** The Minister this summer announced initiatives on riverbank enhancement and river management. Can he explain to the House why to this point in time he has not insisted that river parkland with guaranteed public access is included in the Pines rezoning and redevelopment package, because if he does not do that it makes a mockery of his initiative?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** When I proposed the development program, I sat down with the city and the federal Government. I made my

proposal at this Government which showed leadership, and we did show that leadership by proposing this particular corporation.

We submitted monies to both the city and the federal Government and asked them to come in on an agreement, on a three-party agreement, and when they do come back to us with their considerations and agreeing to that, then we will enter into those types of discussions.

### **Manitoba Liquor Control Commission PAL Promotional Material**

**Ms. Maureen Hemphill (Logan):** My question is to the Minister of Justice (Mr. McCrae). Mr. Speaker, I have in my hand a brochure that is called PAL, Party Alcohol Liability, Don't Party Without Your PAL. It is underwritten by Pathco International Insurance Company.

My question to the Minister is: can he explain to the House why he has requested that the Manitoba Liquor Commission stock this promotional material literature from Pathco Insurance Company at all outlets, and only literature from that firm?

**Hon. James McCrae (Minister of Justice and Attorney General):** I will take the question up again with the commission and get back to the Honourable Member with the details.

**Ms. Hemphill:** Mr. Speaker, would the Minister then also look into the additional question of whether or not this was tendered or whether or not special bids were requested from certain companies?

**Mr. McCrae:** Yes, Mr. Speaker.

**Ms. Hemphill:** I would also like to ask the Minister if after perusing the brochure he can tell us whether he agrees that the contents are responsible or irresponsible, and whether or not he thinks it is appropriate that a Government agency—

**Mr. Speaker:** Order, please. The Honourable Member's question does seek an opinion and therefore is out of order. Kindly rephrase your question, please.

**Ms. Hemphill:** Can the Minister tell us whether or not the Government is going to promote one private company that is putting out and offering a service that is actually more expensive than that offered by MPIC, their own Crown agency, and whether he thinks this is appropriate activity for his Government?

**Mr. McCrae:** I will take the Honourable Member's speech into account when providing the answer.

### **Crow Benefit Payment Plan**

**Mr. Laurie Evans (Fort Garry):** Mr. Speaker, the provinces of Alberta and British Columbia and farm organizations in those provinces are currently assessing

a plan that would see those two provinces unilaterally opt out of the Western Grain Transportation Agreement and pay the Crow benefit directly to producers.

Can the Minister of Agriculture (Mr. Findlay) tell us what is being done by his Government to counteract this impact that would be serious as far as Manitoba farmers are concerned?

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, that is a question that requires a long answer, but I will try to keep it brief. The proposal he is talking about is simply that, a proposal that has not been adopted by Alberta or B.C. It has been brought forth by a committee that has studied the question. In this province we have a Minister's advisory committee which is collecting data and making analysis of that data to determine what is the best position for Manitoba producers and the Manitoba economy with regard to method of payment of the Crow benefit.

I would like to remind the Member that the Western Grain Transportation Act that was put into effect in 1983 contained two major provisions: one what the farmer pays, the first 6 percent of inflation every year, and the total cost of grain transported over 31.5 million tons every year, so that benefit is continually eroding because of those two principles, and that has to be taken into account in addressing that question, and we will be doing that in very short order.

### **Impact Red Meat Industry**

**Mr. Laurie Evans (Fort Garry):** Mr. Speaker, under the same plan there is a proposal that the Alberta Government would add \$100 million in terms of subsidy to offset the dilution factor on the Crow benefit payment. What impact would that have on Manitoba's red meat industry?

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, clearly that puts Manitoba at a considerable disadvantage because we would know that it does not remain a level playing field. We would have to come up with a comparable amount of money to pay dilution in Manitoba and it would come up to \$50 million, \$60 million. So naturally there is a significant impact and we will be talking with the Alberta Government if they bring that forward as a concrete proposal.

Ministers of Agriculture, federal and provincial, will be meeting before Christmas I would assume, and that will be part of the discussion.

### **Manitoba Proposal**

**Mr. Laurie Evans (Fort Garry):** Mr. Speaker, has the Minister's advisory council brought forward a made-in-Manitoba proposal relative to the Crow benefit and if so, will he make it available?

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, the advisory committee is still in the process of bringing forth a recommendation. They are analyzing data, and I can assure all Members of the House that the Manitoba information will be the best provincial

information that any province can bring forward. So when we go to the negotiating table we will be armed with all the "what ifs," "what fors," of the various ramifications of any level of change on into the future.

### **Bill No. 17 Minister's Support**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, my question is to the Minister of Energy and Mines (Mr. Neufeld). On Monday of this week I had asked the Minister whether he was prepared to wait until layoff notices were received at Granges operation at Tartan Lake before he acted, and he said yes, he was.

Mr. Speaker, he waited. The 87 people who were laid off as of yesterday have no severance benefits coming to them at the present time. Can this Minister indicate whether this Government will now support Bill No. 17, amendments to The Employment Standards Act which would have required this company to provide severance benefits in the event of a layoff? Will the Minister now indicate whether the Government will—

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

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, I do believe the Member for Flin Flon is well aware that the lay-off notice included a 10-week severance package, a 10-week notice package, which will be given to the employees in lieu of notice of layoff.

**Mr. Storie:** Mr. Speaker, the Liberal Critic from his seat is saying that this is not required, and we know that the Liberals opposed this and said it was too onerous a business.

**Mr. Speaker:** Order, order. The Honourable Member for Flin Flon, put his question now, please.

**Mr. Storie:** My question is to the Minister of Energy and Mines. Mr. Speaker, given that this is not the first layoff in northern Manitoba nor the first layoff in other parts of Manitoba, certainly not in the mining industry, will this Minister now commit, on behalf of those workers who are currently in the process of being laid off and others that will be, will he commit to supporting plant closure legislation that will protect individuals without severance benefits in their contract in the future? Will he now do that for the rest of the workers who are still working in Manitoba?

**Mr. Neufeld:** Mr. Speaker, as I have already indicated, the workers at the Tartan Lake mines are going to receive 10 weeks pay in lieu of notice.

As well, the management of Tartan Lake advised the mines at Flin Flon and the mines at Thompson that the miners would be available and to see if there would be any room for miners to be employed at those locations.

I do believe that the management of Tartan Lake mines have fully done everything they could in order to help ease the layoff as much as possible.

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

\* (1420)

### **ORDERS OF THE DAY**

**Mr. Speaker:** The Honourable Government House Leader, what are your intentions, sir?

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

**MOTION presented.**

### **MATTER OF GRIEVANCE**

**Mr. Richard Kozak (Transcona):** I rise today on a matter of grievance.

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

**Mr. Speaker:** Order. Order, please. The Honourable Member for Transcona, on his grievance.—(Interjection)—Order, please. Order. Honourable Members wishing to carry on their private conversations know that they can do so elsewhere. The Honourable Member for Transcona has the floor.

**Mr. Kozak:** Eighteen months ago this Government came to office and the Premier (Mr. Filmon) promised us a great new era of federal-provincial co-operation, but today we are caught in a chaotic state of conflicting economic policies. Our provincial Government's fiscal policy, whatever our legitimate criticisms, is at least rooted in the 20th Century, but the province's economic co-ordination with the federal Government has hit a new low with the federal Government's mad experiments with tax and trade theories.—(Interjection)—

**Mr. Speaker:** Order. The Honourable Member for St. Vital (Mr. Rose), the Honourable Minister of Highways (Mr. Albert Driedger), the Honourable Minister of Agriculture (Mr. Findlay), the Honourable Member for The Pas (Mr. Harapiak), the Honourable Member for Swan River (Mr. Burrell) and the Honourable Minister of Education (Mr. Derkach), if you want to carry on your private conversations, kindly do so outside the Chamber.

The Honourable Member for Transcona.

**Mr. Kozak:** Thank you, Mr. Speaker, for your assistance, and my thanks to the Government front bench for their obvious interest in my remarks this afternoon.

Once again, to repeat my last sentence for the benefit of those who were unable to hear, the province's economic co-ordination with the federal Government has hit a new low with the federal Government's mad experiments with tax and trade theories from the 17th and 19th Centuries, namely mercantilism and free trade.

Not only do mercantilism and free trade obstruct the fiscal policies of the Province of Manitoba, but also they are totally incompatible with each other.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

The Government of Manitoba, the Government that we face this afternoon, has absolutely no influence on the fiscal policy of the Government of Canada despite the assurances of our Premier (Mr. Filmon) 18 months ago, and when our Premier is granted one of his rare audiences with the Prime Minister he avoids contentious topics like the goods and services tax. What good is the Premier's promise of 18 months ago? If this Government cannot deliver, what good is this Government?

The Leader of the New Democratic Party and his colleagues to my left will derive precious little comfort from my comments today because they will represent sound discussion of economic reality.

On Friday the 13th, appropriately, the Member for Concordia (Mr. Doer) told us so, as four months later he announced his Party's support of The Fiscal Stabilization Fund Act. He said, "Mr. Deputy Speaker, the person who is going to be most critical of that"—that is, his Party's position—"is going to be an accountant. This is not an accountant's way to deal with things. Accountants will find this horrible. Accountants—and my brothers are accountants—will think this is terrible that you should take money in a good year and leave it for money in a bad year. I can imagine the auditor's accountants just having nightmares over this idea of taking money for better years for bad years. They commented negatively on our Jobs Fund. I understand from an accountant's perspective that getting people working is not necessarily the debit and credit philosophy of good accounting. I understand that, but we are not accountants in this Chamber. We should look at honest accounting numbers and accurate accounting numbers, but we should make public decisions based on public priorities."

Mr. Deputy Speaker, I do not know how the Member for Concordia could have had the gall to place those remarks on the record last Friday the 13th. In fact, although I regret to admit it, I have only one theory as to why he did place those comments on the record on Friday the 13th last. My theory is that that way of thinking is precisely the reason why the former Government of this province, the Government that was turned out massively by the people of Manitoba, was turned out by the people of Manitoba.

The books of this province reflected the fact that the people were being led down the garden path to the point where today we face an \$11 billion accumulated deficit. Even in good years, in the midst of the seven-year period of economic expansion that we are now undergoing, even in the good years, Mr. Deputy Speaker, the former Government, contrary to any credible economic theory that I can identify, ran up record-damaging budget deficits that for many years and many decades in to the future will come back to haunt the honest taxpayers of this province.

The Honourable Member for Concordia (Mr. Doer) is not alone in his Party when it comes to making outrageous economic statements that underlie the likely objection on his part, and his Party's part, to my comments today. He is joined by a very eminent federal New Democrat by the name of Mr. Dave Barrett. I believe we have all heard that name somewhere in the reasonably dim, dark past of our sister province of British Columbia, Mr. Deputy Speaker.

Mr. Dave Barrett on Sunday, October 15, of this year, less than a week ago, is reported as having stated that he wants our retirement savings for social programs. Mr. Barrett, the NDP leadership candidate, said on Saturday, October 14, that the \$70 billion in Registered Retirement Savings Plans held by Canadians represents an untapped pool of resources that could be used for everything from civic housing to environmental protection.

I can think of nothing more irresponsible and nothing that offends me more as a Liberal than to hear my colleagues to the left call for the virtual confiscation of the savings of ordinary Canadians. Seventy billion dollars, Mr. Deputy Speaker, that ordinary Canadians have developed through the sweat of their brow, through their hard labour, to build up over a period of years, are now the object of attack by Mr. Dave Barrett, leadership candidate for the New Democratic Party.

I do not fault the Member for Concordia (Mr. Doer) for having made his comments about accountants and auditors who, after all, are our first line of defence against an irresponsible, wasteful, mismanaging Government, such as Manitoba suffered with for a considerable period over the last 20 years. I do not blame him, because the fact is he listens to his Party. His Party thinks this. This is quite typical of the nonsense that they put on the record repeatedly at both the provincial and federal levels.

I do not expect my friends, many of whom I sincerely respect, and they know the respect I have for them on a personal level, my friends to my left, to concur with my comments this afternoon. I hope they understand that with the limited press gallery attention that grievances normally attract that my harsh comments this afternoon are intended with the sole objective of being of some assistance to them. If I can be of some educational assistance to the New Democratic Party, my spirit of generosity does not prevent me from doing so.

\* (1430)

Now, Mr. Deputy Speaker, a few minutes ago, before I digress slightly, I spoke expressing concern with regard to a chaotic divergence in the economic theories employed at the federal and provincial levels despite the assurances of a great new era of federal/provincial co-operation extended to us 18 months ago by the Premier (Mr. Filmon) of this province, apparently, ineffectively on his part.

I am pleased to say that as far as this province's underlying economic theoretical base is concerned the Liberal Party has succeeded in bringing a reasonable approach to the deliberations of this House and in fact

take some small credit, despite our criticisms of this Government's fiscal policy, for some measure of realism in this province's fiscal policy.

As I said a few minutes ago, Mr. Deputy Speaker, we, at least at this point, are in a position to acknowledge our friends across the floor at least base their comments in 20th Century theory. We certainly see that as somewhat superior to what we get out of the Mulroney Government, which is mired in the 17th Century and the 19th Century.

Earlier this year, on June 6, I was able to express my pleasure in the fact that we, as a Liberal Party, an official Opposition, have had some impact on the fiscal policy of this Government. I was pleased to stand to address this Government's economic plan for its second year in office.

We carry a serious responsibility today in that all three Parties, and I acknowledged this on June 6 in this House, now accept the Liberal Party's assertion that our province and our nation are rapidly approaching an economic slowdown of major proportions. I have to say that my comments of June 6 were well taken in light of more recent economic data we have seen.

Since then we have seen progressively a deterioration in the growth of Canada's gross domestic product. We have seen progressively a deterioration in Canada's international trade balance, and I feel all three Parties in this House recognize the points that we made very effectively culminating on June 6 of this year.

The budget that was presented to this House some months ago in fact gave some recognition to traditional Liberal economic propositions and to our traditional commitment to what is commonly known as Countercyclical Economic Theory or Keynesian Economic Theory. The term Keynesian Economic Theory has reached a rare level of respectability in this House, a rare level of agreement among all three Parties, and I am pleased to say that we have not wasted our breath as a Party and as an official Opposition in this House.

I referred a few moments ago to ominous economic forecasts for late 1989 and 1990 after seven years of economic recovery. It should surprise no one among us that the consensus among economic forecasters has turned markedly pessimistic, Mr. Deputy Speaker, and now ranges from predictions of a shallow recession to predictions of a deep and severe recession.

I refer Honourable Members attention to my budget response of August 10, 1988, Mr. Deputy Speaker, in which I berated this very Government for its complacency and timidity in the face of ominous storm clouds on the economic horizon.

Let me review some of the concerns I first expressed last August 10 of 1988 and continued in ever greater detail to express until December 15 of the same year and on into 1989. On August 10 of 1988, I cited the Fraser Institute, which I thought would strike a responsive chord in the Conservative Government. The Fraser Institute, which, regardless of its policies, one must view as a responsible and reputed research establishment, told us that while the average Canadian's family income has been up more than seven times since

1961, the same family's taxes have gone up more than 15 times. My constituents do not have to tell me this is a threat, Mr. Deputy Speaker, and the constituents of no Honourable Member have to point out that this is a threat. I know it is. Every one of us in this House knows it is.

The question is: what we do about it so that the next 10 years, as we approach the end of this century, can be prosperous years for Manitobans and Canadians, rather than years in which we have to face disturbing and potentially deeply destabilizing economic conditions.

We had some reason for optimism last year that we would make a start toward building prosperity in our province. The election, after all, turfed out the old and brought in a new House which is comprised of three Parties which have Party status, none of which have a majority in this House, a House which must work together if we intend to produce benefits for the people of Manitoba.

Mr. Deputy Speaker, at that time I went on to cite certain disturbing economic developments that demanded greater economic stimulation by this Government than provided in their 1988 Budget. My comments were based on traditional Liberal thought, Keynesian Economic Theory, Countercyclical Economic Theory. The Minister of Finance at that time predicted that we could expect economic growth in Manitoba of less than 2 percent, hardly inspiring given the stellar economic performance of recent years.

Unfortunately, the budget last year somewhat glibly went on to assert that the prospects for 1989 were better. Very little substantiation was provided for this point of view, but this point of view was used to create a sense that it will be all right, that we have time to solve our problems, that what is not done today can be done tomorrow.

We said a year ago that complacency is a fatal flaw. We said it then and we say it today, and, Mr. Deputy Speaker, as we all know, we were proven right.-(interjection)- In response to an interjection by our Minister of Finance (Mr. Manness), I think that it has become clear that my remarks at the opening of my speech this afternoon were deeply disturbing to the Members of the New Democratic Party, and I certainly express my regret for any distress I caused them through my reality.

The budget last year, Mr. Deputy Speaker, was a work of complacency, as I mentioned. It introduced a 6.7 percent growth in spending for the fiscal year 1988. As we know, this growth in spending was well above projected growth in the economy for the year. This increase in spending was a sign that in the Government's view everything would be all right in terms of streamlining the delivery of Government services, producing savings, getting our House in order and passing some of the savings on to the hard-working taxpayers of this province, so they, the individuals who make this province work, could get on with the task of making our economy thrive through their individual initiative.

\* (1440)

The Government's reasoning clearly rejected that concept. They appear to have thought at that time that we have yet another year to get the Government's House in order, that the leadership role of the individual in this province, the taxpayer, could wait another year. There was, in fact, no reason to assume that we would quickly bounce back from the slowdown the Minister of Finance (Mr. Manness) expected last year. The economic statistics that we got from across Canada and from our trading partners in Europe, North America and Asia suggested that in fact the complacency of this Government was not widely shared, that in fact we did not have time, and that we urgently had to get under way with countercyclical economic policies that offered us the best opportunity of preventing or helping us ride out the upcoming recession.

I do not want to belabour this particular line of reasoning, because I have several more lines of reasoning that I intend to get on the record this afternoon. Suffice it to say, however, that after a very troubled start in their fiscal policy, the Government of the Day in Manitoba has at least accepted the economic reality that a 20th Century recession after seven years of economic growth is very much in the offing, according to all credible experts and that further economic stimulation than that provided in their first Budget in this House was required.

The Minister of Health (Mr. Orchard) expresses a certain concern about my remarks. He is perhaps not cognizant of the fact that I offered the Government a small compliment with regard to its second budget in that this budget, in fact, although it contained many flaws that prevented us from supporting it, at least recognized the economic reality that further stimulation of our economy was required after seven years of prosperity, with the likelihood of a downturn in the immediate future.

The budget in short, while it was not perfect, was at least rooted in modern economic theory.

I sense now that I have extended too much of a compliment to this Government and that the Minister is taking too much pleasure in my remarks. So I will describe at least one difficulty that we had with the 1989 provincial budget.

**An Honourable Member:** The slush fund.

**Mr. Kozak:** Yes indeed, as my friend the Member for Inkster (Mr. Lamoureux) reminds me, that substantial difficulty was the slush fund, as he puts it, the slush fund that I generally prefer to call, as something of an academic, the \$247 million Fiscal Stabilization Fund which was set before us in the words of this Government as an integral part of this Government's budget, and which unfortunately and disastrously, in terms of our support for this Government's economic policy, the Government demanded that we swallow as a price that they expected us to pay in return for any support that we might extend to their budgetary policy.

Now, Mr. Deputy Speaker, the pill was too bitter for us to swallow, and I refer Honourable Members to a speech that I made on Friday, June 23, in this House,

which certain of my fellow caucus Members flatter me and call a good speech, in which I placed on the record some substantial comments that represented the very root of our objection to The Fiscal Stabilization Fund Act. Now these comments were made some months ago, back in June, and I fear that certain Members may have forgotten the thrust of my remarks at that time. (interjection)-

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

**Mr. Kozak:** I will perform for my 56 colleagues the courtesy of refreshing their memory with regard to my remarks of Friday, June 23 of this year. At that time I could not say that it was a pleasure to address Bill No. 27, The Fiscal Stabilization Fund Act. I could take no pleasure in it because I felt at that time, and I still feel it now to my very soul, that Bill 27 distorts and holds open to disrepute economy policy concepts with which our Party has been identified for over half a century.

At the outset, I reminded Honourable Members and alerted them to the fact that the title of the Bill, The Fiscal Stabilization Fund Act, awakened among all Honourable Members a certain nostalgia for our old Economics 100 classes. Automatic stabilizers and discretionary fiscal policy are the very stuff, the principle tools of countercyclical economic theory as we all learned back in Economics 100, and the title of this Bill, Bill 27, was an obvious attempt to associate this Government's intentions with sound economic theory.

The Government's problem then and the Government's problem now is that we have all moved way beyond Economics 100. It is not enough to use some of the right buzzwords. The detailed action plan underlying the verbiage has to be both theoretically sound and socially responsible.

The Bill that was under consideration when I spoke on June 23 failed on both counts. I believe it is perfectly clear that I, as a Liberal, have no intention, absolutely no intention, of speaking against countercyclical economic theory. In its simplest terms, the theory is that Government should prevent the economy from overheating when times are good and should stimulate economic activity when times are tough—a reasonable, clearly understandable proposition.

I hope no Member of this House is unaware that I personally have spent much of the last 18 months arguing that the Government of Manitoba should recognize that the economic recovery of the last seven years has lost its vigour and should recognize the need to shift from a restrictive stance to a stimulative one by presenting a package of tax cuts for businesses and consumers alike, in accordance with the dictates of reputable countercyclical economic theory.

This theoretical foundation, Mr. Deputy Speaker, is at the very heart of my Party's reason for being, and I myself take no particular credit for making extensive use of this theoretical framework in my reasoning in this House. I remind my colleagues that this approach in fact has been a key element of the Liberal Party's tradition since Mackenzie King used it to combat the

great depression, as the Deputy Speaker will recall. I have referred to the automatic stabilizers which are tools of this theory.

With some genuine pride, I remind all Honourable Members that most of Canada's system of automatic stabilizers is a Liberal creation. Programs such as Old Age Security, Unemployment Insurance and Medicare are sometimes referred to as our social safety net. They maintain the spending power of Canadians when we faced tough times as individuals or as a society. In considering Bill No. 27, a Bill which evokes the language of countercyclical economic theory—Mr. Deputy Speaker, I personally faced one brief moment of anxiety because this Bill is not the product of a Liberal Government but rather the product of a Conservative Government. Is the Conservative Party undergoing a conversion? I think not.-(interjection)-

I would like to thank the Member for Dauphin (Mr. Plohman), Mr. Deputy Speaker, for the convivial goodwill that he interjects in my comments this afternoon. I am certainly grateful to him for introducing an element, a welcome element, of lightness and good cheer into what can be all too frequently very heavy and tiresome economic debate in the eyes of many Members and many taxpayers in Manitoba.

\* (1450)

I remind all my colleagues that The Fiscal Stabilization Fund Act is before us at a time when the federal Conservatives are launching a full-scale frontal assault on our unemployment insurance system. Is the Government of Manitoba, which is afterall a Conservative Government, at philosophical loggerheads with the Government of Canada, also a Conservative Government? I think not, because the Bill that I referred to, Mr. Deputy Speaker, The Fiscal Stabilization Fund Act which this Government calls an integral part of its budgetary plan has absolutely nothing to do with any credible notion of countercyclical economic theory.

As I have said before, and will say again, the Tory leopard has not changed its spots.-(interjection)- For the benefit of my friend, the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), I alerted the House to the belief on my part that the Tory leopard has not changed its spots. I suggest to the Minister that, from one point of view, could be interpreted as a compliment. I am asserting in part, Mr. Deputy Speaker, despite the fact that my comment could be interpreted in a different way, that my friends across the floor show some consistency in the debate they bring before this House.-(interjection)-

**An Honourable Member:** Your ex-friends.

**Mr. Kozak:** Oh, Mr. Deputy Speaker, the Minister of Health (Mr. Orchard) casts doubt on my friendship, but I assure him that it is sincere and that it will continue to be extended with full generosity to all of my 56 friends in this Chamber.

Mr. Deputy Speaker, I would not want to run out of time for my extensive comments remaining in my grievance this afternoon, so I will try to be a little bit briefer with the rest of my comments.

However, just to conclude my remarks on The Fiscal Stabilization Fund Act, we have had to oppose The Fiscal Stabilization Fund Act because we find it entirely and unequivocally unacceptable in terms of our views of good accounting practices, our views on the sanctity of the principle of responsible Government, and our views on the crucial need for the Government of Manitoba to demonstrate something other than a sadly deficient social conscience.

Not to belabour that point any further, Mr. Deputy Speaker, I would point out as I now proceed to brief comments with regard to the Free Trade Agreement which conflicts utterly with counter-cyclical economic theory, which seems to have gained some currency as a valid, workable and usable framework in this House, I would like to proceed to a few comments with regard to the matter of free trade.

Now, Mr. Deputy Speaker, free trade is utterly inconsistent with Keynesian economic theory that we in this House see as a matter which we recognize has some validity and which we use as a foundation for many of the comments we raise in debate. Both my friends to the left, in the New Democratic Party, and I, myself, have admitted quite openly that we use this theoretical framework. There have in fact been some reasons to believe that our Conservative friends across the Chamber have, over the last few months, started at least to nod in this direction as well and to use some of the buzzwords of Keynesian economic theory.

The Free Trade Agreement, Mr. Deputy Speaker, is totally inconsistent with the theoretical framework that we are using in Manitoba. Our Premier's promise 18 months ago of a great new era of federal/provincial co-operation is a sham, because he is unable to persuade his federal colleagues of the need for consistency in economic theory in this province and in this country.

If our federal Government and our provincial Government insist on following fiscal policies that are in open conflict with one another, I suggest to the Members of this House and to all Manitobans that we are inviting disaster. We are pursuing policies that cancel one another out. We are abdicating our responsibility to produce a co-ordinated approach to the fiscal and economic problems faced by Manitobans and Canadians; a co-ordinated approach which is part of the only acceptable approach to avoiding what will otherwise be an impending deep recession in this province and in this country.

Through the Free Trade Agreement, we find that a foreign power, with the agreement of our federal Government, has a right to pass judgment on the fiscal policies of our province and country. On Tuesday I raised this very matter in Question Period with the Premier. The Premier (Mr. Filmon) I have to say, Mr. Deputy Speaker, and I can hardly criticize him for it, was caught completely off guard and came forward with an answer that I really expected him never to come forward with in this House, an answer that indicated a certain lack of preparedness for the fact that the federal and provincial Governments are pursuing divergent courses.

The Free Trade Agreement in fact does give a foreign power. The Americans who are after all our friends are

a foreign power. It does give our friends, the Americans, the right to pass judgment on the fiscal and monetary policies of our province and of our country.

\* (1500)

I think I am joined by all Members of this assembly in suggesting that Keynesian Economic Theory is the furthest thing from the mind of the President of the United States of America. I look forward with sincere trepidation to the day when our Prime Minister has to go cap-in-hand to Washington to get American permission to undertake economic reforms in this country, economic reforms in this country which we need despite what the President of the United States or any of his advisors may have to tell us.

I referred on Tuesday, also in questioning the Premier (Mr. Filmon), to my deep concerns about an even more ancient theory being followed by our federal Government—the theory of mercantilism, which originated in the 15th Century. We have a federal Government that is operating on the basis of economic theory that was first advanced in the 15th Century, continued in vogue until the 18th Century, and was at that point totally discredited and overthrown by the French Revolution, because the people could not tolerate the damage that was being done to their standard of living, to their well-being, to their very survival.

Mr. Deputy Speaker, I and my Party will never tell the people of Manitoba that if they have no bread, let them eat cake. We are not the Party of King Louis XVI and Marie Antoinette, Mr. Deputy Speaker, and we expect our federal Government also not to be the Party of King Louis XVI and Marie Antoinette.

How much time do I have remaining, Mr. Deputy Speaker, for my guidance? I believe about 10 minutes, am I correct?

**Mr. Deputy Speaker:** The Honourable Member's time has in fact expired.

**Mr. Kozak:** I sense that my remarks have struck a responsive cord from all three Parties in the House this afternoon. If the three Parties did extend me leave to continue, I could offer my assurance to the House that my remarks would be complete by five o'clock.

Mr. Deputy Speaker, I do not believe consensus is available to me. Thank you very much for your indulgence and the indulgence of my friends.

**QUESTION put, motion 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 Health; and the Honourable Member for Burrows (Mr. Chornopyski) in the Chair for the Department of Rural Development.

\* (1510)

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HEALTH

**Mr. Chairman (Harold Gilleshammer):** I call this section of the Committee of Supply to order. When we last met on Tuesday the committee had been considering item 1.(b) Executive Support: 1.(b)(1) Salaries, \$394,300—the Member for Kildonan.

**Mr. Gulzar Cheema (Kildonan):** Mr. Chairperson, during the Question Period today there was a question raised by me as regards the chronic shortage of acute care beds. It was clearly indicated to the Minister of Health (Mr. Orchard) there are a number of patients who are waiting. One is at least for four years. Can the Minister of Health tell us what special planning he has put in place for the last 17 months to ease the shortage, not only in Seven Oaks Hospital, but in other hospitals?

**Mr. Chairman:** I would like to call the Member's attention to Rule 64(2), that "Speeches in a Committee of the Whole House must be strictly relevant to the item or clause under discussion" and we are discussing Executive Support 1.(b)(1) Salaries. The Member for Kildonan.

**Mr. Cheema:** Mr. Chairperson, one of the functions is to develop a policy development in key areas of the health care system and certainly my question is not out of order. It is within the lines of the function of this department.

**Mr. Chairman:** The Chairman will allow some latitude then if you are going to develop it in reference to this line. The Minister of Health.

**Hon. Donald Orchard (Minister of Health):** Mr. Chairman, is my honourable friend saying that someone waited four years for an acute care bed?

**Mr. Cheema:** Mr. Chairperson, it is amazing that the question has to be repeated a number of times. I told him very clearly that this person is one of the patients who has been waiting for four years to be placed either in a personal care home or in an extended care facility. This is just one of the examples.

I was telling him in the Question Period that there are at least, I would say approximately, the number may be one this way or that way, about 75 patients who should be either in extended care facilities or personal care homes, or in their own home with the help of home care services. What does this exactly mean in terms of how much financially it is costing the taxpayers of Manitoba to keep these patients where they do not belong? As a result, a patient who needs acute services is not getting them because they have to wait in long lines. It was clearly indicated to the Minister of Health this morning that not only he said people are waiting a few hours—no, people are waiting more than a few hours in the emergency room. Some are waiting in the hallways, some in observation rooms. For him to use that Question Period and in two minutes totally give the wrong information is absolutely, to me, unacceptable.

Can he tell us now why there has not been any planning to have these patients in either of the above, such as, No. 1, either in the personal care homes or in extended care facilities or in their own home, with supported home care services so that they can have dignified living. They want to go to all those places, but why has there not been any initiatives by this Minister of Health?

**Mr. Orchard:** Well, Mr. Chairman, we can debate this issue now; we will debate it again when we hit Home Care, Support Services for Seniors; we will debate it again when we hit the Manitoba Health Services Commission; we will debate it again when we hit the Hospital line of the Manitoba Health Services Commission; we will debate it again when we hit the hospital line of the Manitoba Health Services Commission. We will debate it again when we hit the Personal Care Home line.

My honourable friend does not understand the system that he works in, let alone that he is critic for. My honourable friend, in his opening remarks, kept saying there is a shortage of acute care beds. Well, my honourable friend is a medical doctor and, from a medical doctor's standpoint, that may be the perspective he wishes to bring to this committee.

My honourable friend, if he wants to resolve the problem of this individual who has waited four years, all my honourable friend would have to do is to give me the information, the individual's name, and I will investigate the circumstances. I think, and I will fully stand to be corrected, that this one individual my honourable friend is referring to is very much, very, very, very much the exception to the rule rather than the rule.

My honourable friend, in using it as the example, would leave the impression that everybody waits four years to be placed in an extended treatment bed or a personal care home. That is not the fact. I would like to have the individual's name and I would investigate the circumstance. I would report without identifying the individual, unless the individual so desired, bring as much information as is possible to this committee without jeopardizing patient confidentiality.

My honourable friend left the impression, all he talked about throughout the whole opening remarks, was shortage of beds here, shortage of beds there, as if the answer to all the problems in the health care system are greater numbers of institutional beds. There is a great deal more to the issue of health care than building acute care hospital beds, than building extended treatment beds, than building personal care home beds.

I mentioned to my honourable friend, and I believe some of his colleagues who are knowledgeable in health care nodded in agreement when I indicated to them, that in Europe they are dismayed at the level of institutionalization of our seniors population. We institutionalize our seniors at two to three times the rate they do in Europe because they have support programs in the community. Those support programs in the community are not only home care, not only regional services, not only support services for seniors,

programs that have been built upon by successive administrations in this province. They are contributing significantly to lowering the demand for institutional type beds. I suspect from my honourable friends comments that the Liberal Party of Manitoba's policy is a bed for everybody. That is simply not affordable nor is it appropriate policy for health care.

As I mentioned to my honourable friend one week ago today in reply to some of his opening remarks, there have always been and there always will be certain numbers of institutional beds committed to panelled patient placement. In the real world of health care, not the utopian world that my honourable friend appears to be putting Liberal Party policy forward towards, in the real world in Manitoba, not today, but existing for the last 20 years, not only in Manitoba but in every other province across this nation, hospital beds are utilized for a short-term placement of individuals awaiting a permanent bed in a personal care home or similar facility in other provinces. My honourable friend saying that those are a waste of beds is absolutely going against the policy of successive Governments, not only in this province, but across Canada.

If he is saying that there ought to be an available bed the moment a person is panelled for personal care home placement, then he has the responsibility of telling the people of Manitoba where the Liberal Party would get the necessary financial resources, (a) to build those beds, and (b) to staff them and have them in such surplus capacity that there was instant placement in those beds.

After answering the cost factor and answering where the money would come from, my honourable friend would have to then through his finance critic identify what taxes the Liberal Party would raise, where they would drive the deficit to in terms of whether it be \$500 million or a billion dollars annually, or what other programs they would cut within the Government mandate to make this Liberal-apparent health policy of a bed upon request in the system.

It is the same kind of wrong-headed policy developed my honourable friend enunciated in terms of instant same-day surgery, a policy that does not exist anywhere in the world to my knowledge. I understand my honourable friend wants to try to make his narrowed points and in some ways is elucidating policy on behalf of the Liberal Party that I do not think his caucus concurs with, because it is certainly policy that is not the policy of any provincial Liberal administration in five provinces that I am aware of in Canada. It was not provincial Liberal policy in the past. It only appears to be in the last one week that it is now Liberal Party policy.

My honourable friend used the example of one individual waiting four years. I want to assist in clarifying that individual circumstance: (a) I want to clarify the existence of the problem, and (b) I want to know the circumstances behind it. We have had people waiting for extenuated periods of time in hospitals after they have been panelled for personal care home placement, because they have specifically requested and their family has specifically requested a given personal care home placement. Either from language or cultural lines,

they wish to go to a specific named facility. In trying to accommodate that, waits do extend beyond what is a normal period of time. If that is the circumstance here and it is in part because of patient preference, then there is an answer.

I wish to have that individual's name, in confidence, from my honourable friend. I will pursue the issue, and I will provide him with that kind of information should we get to Estimates on Monday.

**Mr. Cheema:** Mr. Chairperson, this Minister of Health (Mr. Orchard) is completely misleading the statement that I have said. I am simply asking the question, how can you provide the services for the people who are in the hospital system where they do not belong? Either they should be in a personal care home situation or in a home care or in an extended care facility.

If you are going to have about 25 percent or 30 percent of beds occupied by these individuals, how can you even stand up and say they are providing a good health care system? How can you save money? If this is the policy of this administration not to proceed, only alternate ways of treatment like providing more home care services, providing extended care bed facilities, providing more day hospitals, is that not the way of doing it?

This Minister does not even understand what that means. Absolutely, he is dead wrong that this is the only way to keep the patient in the hospital. That is not the way to treat patients. You have to provide them other modes of treatment, other modes such as home care, extended care facilities and day hospitals. If you do not provide those services, there will always be a problem of backlog of beds which are urgently needed for other surgical procedures.

Can he tell us now, on the same line, what program they have initiated, to be more specific, in respect of day hospitals? This is one of the ways to keep the patients away from the hospital, bring them to the hospital on a daily basis, and bring them back to the community. That has been proven very effectively. What has his administration done for the last 17 months?

**Mr. Orchard:** I want to deal with this issue in a very serious way. I want to establish whether my honourable friend understands what he is saying because I sense, with all due respect, he does not understand what he has said. My honourable friend is saying that those individuals occupying hospital beds, who have been panelled for personal care home placement, are inappropriately there, that they could be dealt with in a day hospital, that they could be dealt with under the Home Care Program. Mr. Chairman, if that was the case they would never be panelled for personal care home placement, a judgment made by professional staff, including physicians.

\* (1520)

My honourable friend, the Liberal Health Critic, is saying those decisions are wrong. My honourable friend does not understand the panelling system, and he does not understand that he is saying they are wrong when

they panel a person. I do not happen to believe that in the vast majority of those panelling decisions there is error. There may be the odd exception but that is only natural to expect in a health care system that depends on judgment to some degree in dealing with upwards of a million people, but my honourable friend is leaving the impression that panelled patients for personal care home placement are in hospital inappropriately. That is not correct. That is absolutely not correct.

As soon as the personal care home bed is available those individuals are placed there, but in the meantime there are no other support systems in the department which are capable of providing the level of care that those individuals need. Therefore on a temporary basis they are placed in an institutional bed in a hospital for the patient's protection, safety and care, not because we want to put them there, but because professional judgment by the panelling group has said that is where their medical needs are best met. My honourable friend, the Liberal Health Critic, is saying those decisions are wrong, and I say to you, Mr. Chairman, he is wrong.

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

**Ms. Avis Gray (Ellice):** I am prepared to get into further discussions with the Minister in regard to the Women's Health Directorate under the section in Community Health Services, but I am wondering if the Minister could indicate for us today—and maybe part of the difficulty in our discussions the other day was the difference in how one would define a directorate—how does he define directorate? We have a number of directorates within his department, we have a number of directorates within other departments. Perhaps he could clarify what specifically he means when he refers to directorate.

**Mr. Orchard:** A directorate is a divisional responsibility of Government wherein there is policy development and co-ordination and policy implementation. It is a directorate, by its very nature, under the management of a director according to the Civil Service establishment of authority. A director is generally underneath or below in Civil Service classification of an executive director, who is then just below an Assistant Deputy Minister, who is below a Deputy Minister, who is ultimately responsible for it to the Minister.

**Ms. Gray:** Can the Minister indicate to us, given his definition of directorate, will the Women's Health Directorate fall within that category?

**Mr. Orchard:** Well, that is the intention, yes.

**Ms. Gray:** Could the Minister also indicate to us, will the Women's Health Directorate have overall provincial responsibilities for establishing standards and content of various programs which would be carried out by a variety of means throughout the province, and will there be an evaluation and training component as well within that directorate?

**Mr. Orchard:** That may well be, and of course that is what I have indicated to my honourable friend will be

part and parcel of the announcement of the directorate in that hoped for six-week window.

**Ms. Gray:** Mr. Chairperson, on another line of questioning, the Minister had indicated the other day that a Mr. Toews had been hired on contract for six months with his department. I am wondering if the Minister could indicate if this Mr. Toews being hired is in reference to this single focus that he says has been established within the Winnipeg regions.

**Mr. Orchard:** That is correct.

**Ms. Gray:** It was indicated to us by Mr. Lloyd Searcy that it was a consulting agreement with Mr. Toews in the Eden Mental Health Centre. Could he elaborate on that tripartite agreement?

**Mr. Orchard:** Mr. Chairman, the individual, Mr. Toews, used to work for the department and was I believe a regional director in Eastman at one point in time. He undertook work in the United States, I think primarily through the MCC, and on his return to Manitoba was hired by Eden Mental Health Centre.

Because of his experience in the past—he had some pretty significant experience in management abilities and problem-solving abilities as demonstrated by his past experience with the department—that when we learned of his return to Manitoba, we made arrangements with Eden Mental Health Centre on a six-month basis, since they had employed him, to have his services made available to the department, to the ministry, to hopefully use his past experience and skills in resolving the Winnipeg region management range of issues that have been before the Government.

**Ms. Gray:** Could the Minister tell us what specifically is the nature of his contract, i.e., what exactly are Mr. Toews' responsibilities in regard to looking at the Winnipeg region?

**Mr. Orchard:** Basically, Mr. Chairman, it is a number of functions. Primarily we are hoping and we believe that Mr. Toews will be successful in providing to Government some guidance and recommendation on how we can restore focus under one central reporting point, responsibility for the three Winnipeg regions to restore confidence, to restore working relationships, management skills, et cetera. There are, as my honourable friend may well be aware, some difficulties in that regard that we do not find to be reasonable.

\* (1530)

We think that Mr. Toews can offer the kind of trusted insight, if you will, by those involved in the Winnipeg region to come to a recommended solution to Government that will help to smooth out some of the administrative problems that have been experienced in the Winnipeg region over the last three or four years.

**Ms. Gray:** Mr. Chairperson, "some" is an understatement; actually the problems are horrendous. I would also ask the Minister, he had indicated that Mr. Toews is there to give some guidance and direction to

this serious problem and look at solutions. I am wondering if the Minister could tell us how that ties in, or perhaps I will ask the question this way: what was the purpose then over the last year and a half, before Mr. Toews came on stream, of the various meetings that the two Deputy Ministers from the Department of Health and the Department of then Community Services initiated in all the work that was done for that year and a half?

**Mr. Orchard:** Mr. Chairman, let us make sure, and I know my honourable friend will not disagree with this, that the record or that this line of questioning clearly shows that this is an inherited problem.

**Mr. Gray:** Right, I agree with you.

**Mr. Orchard:** It stemmed from a splitting of the Winnipeg region into three regions I believe about three and a half to four years ago. When we get to Regional Services, I would be prepared to offer to my honourable friend some substantial insight into the difficulties at that cost. It was done without Treasury Board consultation, without Civil Service consultation, and the genesis of it is rather hazy, shall we say. It caused substantial difficulties among personnel in terms of classification and reclassification. There have been grievances filed before the Civil Service.

The purpose of the meetings between the Deputy Ministers of the two departments, because the Regional Services has the, as my honourable friend knows, joint responsibility for service delivery of program in both the Department of Health and the Department of Family Services. The Deputy Ministers were attempting over the past year and a half to problem-identify and to problem-solve. They ran into some difficulties in terms of that consultative process, that it was the considered decision that the expertise of Mr. Toews, with his experience and his knowledge of the department and Regional Services, could offer a valued insight and a valued approach to the problem. The discussions were simply an attempt at the senior level to resolve the issue.

**Ms. Gray:** Just to clarify so that I do not put words into the Minister's mouth, is the Minister then saying that over the past year and a half that the resolution of these serious problems in Winnipeg region, that the two Deputy Ministers with the resources of both departments available to them were unsuccessful in resolving this? Therefore the Minister found it necessary to bring in another party who would have to start again from ground zero, shall we say, and revisit the entire issue with the staff. Now this person is to come up with the solutions within his six-month contract time?

**Mr. Orchard:** You see my honourable friend would be putting words in my mouth and I am glad she is not wishing to do that. The efforts and the consultations between the two Deputy Ministers were successful in arriving at a number of conclusions. The one central point of responsibility, i.e., the regional director, is the administrative terminology in terms of single program directorship, et cetera. Those decisions were made in consultation over the past number of months, so Mr.

Toews' contract of six months we believe is adequate because he has the responsibility to implement those kinds of organizational changes. Those decisions have been made.

**Ms. Gray:** I will not go into great detail on this issue because I do have further questions, but I would ask, because the Minister brought it up. He mentioned single program directorship. I have heard it described as a programmatic model. Just very briefly, could the Minister indicate to us exactly what is a programmatic model of service delivery?

**Mr. Orchard:** Mr. Chairman, I could give my honourable friend all of that detail. My honourable friend no doubt will get into that issue when we hit Regional Services. I think the objective at this line in Estimates, the ministerial level, is to talk about the policy areas of Government, not the detail of what each staff responsibility is. That kind of detail is appropriately questioned and responded to at the line in Estimates where we reach Regional Services or whatever other individual details for job description my honourable friend might want to pose.

**Ms. Gray:** I have to strongly disagree with the Minister and perhaps the Chairperson may need to rule on this. In this section we are talking about policy direction. When one talks about a reorganization of service delivery in a department which affects over half the Manitobans in this province, when we are looking at whether we look at a programmatic model and however that is defined, versus other systems of delivery, that has a great affect on policy and policy development and what translates into service delivery, and what translates into the kind of service and the way clients are able to access the system.

So I think that in fact my question is very relevant in this section and I am not asking for specific questions on the details, or what is being looked at in reorganization. I am simply saying you have already advertised for regional director, you are talking about services in Health and Family Services that go to half the Manitobans in this province. I am simply asking, you have obviously decided that a programmatic model is the way to go, which is different than past service delivery models, quite different, so I am asking the Minister to clarify that. Perhaps I do not have an understanding of what a programmatic model is.

**Mr. Orchard:** Mr. Chairman, I have no difficulty discussing this issue with my honourable friend, but I am sure we are going to discuss it again when we hit Regional Service, and maybe that is what the Opposition views the role as, is to put in lots of hours and fill lots of Hansards.

Single programmatic responsibility, and let us use home care. Right now there are three program directors for three regions. The single focus of program delivery is to have one responsible for program delivery in home care, for instance, for the City of Winnipeg. That is the change in focus that is envisioned in resolving the problems. That eliminates the need for three people to meet, for three sets of criteria, for three

interpretations, for three lines of responsibility for program delivery. Is that a lucid answer for my honourable friend?

**Mr. Chairman:** The Chair would point out again Rule 64(2), that "Speeches in a Committee of Whole House must be strictly relevant to the items or clause under discussion." We are discussing Executive Support: (1) Salaries—the Member for Ellice.

**Ms. Gray:** One further question in that answer the Minister gave, could he indicate to me if that programmatic model, and he gave home care as an example, does the programmatic model include the provision of a multidisciplinary service delivery system? Is that part and parcel of it?

**Mr. Orchard:** That is a fair assumption, Mr. Chairman.

**Ms. Gray:** It is a fair assumption, but is it a correct assumption? I would ask if, in fact, it is a yes or a no?

**Mr. Orchard:** If it is a no, I would say no. That concept is a fair assumption of the direction that Mr. Toews will provide to the staff.

**Ms. Maureen Hemphill (Logan):** Mr. Chairman, I was hoping that the Minister will be amenable to having a bit of discussion about the T1 nursery at the Women's Pavilion under this section. I realize that it may come up again under Women's Pavilion, but I can assure him that it is not our intention to discuss this 10 times and I will be the one raising the questions. I do not think it is inappropriate since I think direction has been given by both the Minister and the Deputy Minister to the staff on how to deal with this issue. Is it all right to proceed with a few questions in this area?

\* (1540)

**Mr. Orchard:** Absolutely. Why not?

**Ms. Hemphill:** Could the Minister tell us then what steps have been taken by the hospital since some of the concerns about the conditions, substandard conditions, were brought to his attention?

**Mr. Orchard:** I think there has been a fridge ordered and I think there has been made available more space on another floor for certain functions that were taking place in T1 until reconstruction is completed.

**Ms. Hemphill:** Mr. Chairman, I think the addition of the fridge will be useful and it is my understanding that half a dozen or so of the babies were being moved out into other quarters, thus freeing up some of the overcrowding conditions. However, there were a number of other things that were suggested and I am wondering if they were considered. If not, can the Minister give some indication if he is willing to follow-up in some of these areas?

In the Women's Pavilion there are two meeting rooms, two rooms where the board meets. It is my understanding that while one of these was being

renovated there was a room where nurses had previously been able to go, but that was taken over while the renovations of one room were completed. Those renovations of the boardroom are completed, and it is my understanding that both rooms are still largely being used for meeting rooms.

Since space is at such a premium, I am wondering if the Minister can look into directing or seeing, if it is possible, that only one of those rooms be used for the board meeting rooms, since I think it might be easier for them to find another place to go for a meeting than it is for parents, nurses to find a place to go, and to make that other room available immediately for two things. One is to allow the nurses to go there for coffee and to get away from the lights, the bells, the monitoring and the high stress of the environment that they are working in; and secondly, to have a place where the nurses can do some education with parents so that they can teach them a bit on the care of premature babies, or if there is a baby that is dying the parents can go into that room and spend some time with the baby in privacy.

I am basically saying if those are the two steps that have been taken, six spaces, freeing up the spaces and a fridge, I think there are other steps that can be taken while the renovations are under way without a lot of additional cost, but with just the attitude and the importance being given to do whatever can be done within the existing facilities.

**Mr. Orchard:** Mr. Chairman, I cannot indicate whether those steps are being undertaken, but I believe my honourable friend saw the circumstances at T1 personally back in July when she was there for personal reasons, I guess. All I can say is that when my honourable friend raised the issue some three months after she was made aware of some of the circumstances, they were dealt with within days. Those circumstances that existed that my honourable friend brought to the floor of the House, after knowing of them for some three months, had they been brought to my attention and in turn I able to bring them to the attention of the management of the Health Sciences Centre, they would have been dealt with in July had I been made aware of them.

I think the issue is a long-term capital redevelopment which we believe is the priority and will happen. More importantly, I think one has to offer to the Health Sciences Centre, to the management and the staff, accolades in terms of moving within days of being made aware of an issue that my honourable friend brought to our attention after her early summer experience at the Health Sciences Centre.

**Ms. Hemphill:** Mr. Chairman, since that is the second time that the Minister has put on record the amount of time that lapsed after he believed that this information or this knowledge was brought to my attention, I intend to deal with it.

It was in late July that I began to become aware, because I had a grandson in the nursery because he was premature and because my family was taking turns going and helping to feed the child over that three-

week period. I want to indicate that in the early stages—first of all, I think he is probably going from the time that the child was born and assuming that I knew at that time. I was on holidays then and came in just towards the last week that the child, my grandson, was in hospital.

Our first concern was the care of our grandchild. In other words, our first preoccupation was stabilizing his condition and what kind of condition he was in. We were not paying that much attention to the surroundings. I am sure the Minister can understand that. It was over a period of time that the awareness grew of the difficult or the dreadful conditions that the babies, including my grandson, were being cared for in.

After that I spent a considerable period of time, as I have heard the Minister himself suggest to other Members in the House that you confirm your facts. In other words I did not just look to see what I could see. I spent a lot of time talking to nurses who had left, to people in administration, to people at MARN, to people at MONA, and to nurses and management. It was only when I felt I knew what I was talking about and that I had confirmed my perceptions that I prepared to present the information.

\* (1550)

I also want to suggest to the Minister that it did not take my bringing it to the attention in the House for this to be known. His department was very aware of all those conditions prior in a number of ways—one, because nurses had been reporting it, two, because parents had been writing letters, but most of all because of the report that had been done by the Health Sciences Centre own occupational health and environmental committee that had reported on all of these matters and had reported in June. To suggest that it required me to bring to attention information that I got when I was attending, when I was in the nursery as a grandmother is absolute nonsense. The department knew about those conditions and should have moved on them, I suggest, the day after that report was received, not the day after I raised it in the House.

Second, he said that they moved immediately to deal with the issue and I appreciate that. What I am trying to get at with my question is, what steps have been taken? I am also suggesting to him that if all they have done is move a couple of babies and get the refrigerator, there are other steps that I believe can be taken and that should be considered. I am going to put them forward to the Minister and ask him if they have either done that or if he will raise those as specific possibilities to relieve the substandard conditions in that hospital.

The one that I have just mentioned is the meeting room. I do not think the board needs two meeting rooms sitting empty long periods of the day while nurses and parents are struggling with the conditions in that nursery that they are struggling with. I am asking the Minister if they have considered making one of those meeting rooms available for some of the activities that I have just suggested.

**Mr. Orchard:** Mr. Chairman, I cannot answer the specific of the last question. If my honourable friend

is sensitive about my statements about her knowledge of the issue and her raising it subsequently in the House, I do not share her sensitivity to that because I am simply indicating to her what the facts are. The issue of a graphic feces and mother's milk in the same fridge was not an issue that, I am informed by the Health Sciences Centre senior management, they were ever aware of. I am appreciative my honourable friend refers to reports and refers to different letters, et cetera, et cetera. I have never seen a letter in my office which has those circumstances graphically described as my honourable friend did before the television cameras of Question Period.

When she mentioned them in Question Period was the first knowledge I had of them. As a result I immediately had commission staff, departmental staff, contact the Health Sciences Centre, who immediately moved to remedy those circumstances. I have been told that that was the first knowledge they had of them. Now, my honourable friend would like to indicate differently, but I am simply indicating to her my knowledge as Minister, my department's knowledge, and the senior management of Health Sciences Centre's knowledge as communicated to me.

I know my honourable friend does not have any obligation to tell us how long she was aware of her facts prior to raising it in the House. She is not under any obligation to say that, but if it was for one day prior to raising the issue, that was one more day that those circumstances were prolonged.

I am not here to make judgment on my honourable friend's motives in raising it in the fashion she did, because the issues have been addressed in the majority. I cannot tell her whether the specifics of her questions have been addressed today in the detailed question she has. I can pursue those questions, and if she wished to give me a list of requests, I would take those up with the management of the Health Sciences Centre. If they are reasonable suggestions that can be accommodated, I have found in the past the management and the senior administration of that institution to be most co-operative in resolving problems when they are made aware of them, and I would be prepared fully to undertake that on my honourable friend's suggestion.

**Ms. Hemphill:** I think that it is quite possible, and I am sure the Minister is correct when he tells us that the people at the hospital, the management, et cetera, were not aware of the fact that stool specimens, for instance, were being stored in the same refrigerator as mothers' breast milk. I think that is quite possible. But to suggest that all of the other things that were contained in the report were not known—I guess first of all my question is: did the Minister see the report that was completed in June that came from the Health Sciences Centre Occupational and Environmental Health Committee that outlined very clearly the ventilation problems, the substandard space problems and a number of the other issues that did not include the contaminated—putting medicine on the same counter as they were testing stools? It did not include that, and it did not include the information about stool specimens being stored with mothers' breast milk, but

it did include all of the other things that were mentioned relative to ventilation, substandard cross infection, stress of nurses, environmental stress. Did the Minister see that?

**Mr. Orchard:** Mr. Chairman, I want to sincerely thank my honourable friend for clarifying what was in the report, because this is the first time my honourable friend has clarified that the very graphic details that she used in Question Period in front of the television cameras were contained nowhere in the report, because the impression that the citizenry of Manitoba might have gotten from the nature of her questions is that I knew about it back in January from letters that I received and that the Department knew and its senior management knew. I am glad today that she indicates that what I have said, in terms of knowledge of the senior management at HSC, knowledge of senior management in my department, my personal knowledge, did not include those very graphic details that my honourable friend had knowledge of for whatever period of time.

Yes, I have not read the report but on the basis of the fuse, on the basis of the inadequate space, 12 spaces with an average of 19 children in them, those issues were definitely brought to my attention and have been the reason why I have been able to say those issues will be addressed in Capital Renovations. The issue of stress on the staff will not, unfortunately, be resolved entirely until we have a new intermediate care nursery. Again, I simply say to my honourable friend that issues of staff management and staff relations and working conditions are optimized to the best of the ability of the nursing staff, their supervisors and the management of the health care facility, given the inadequate capital or physical surroundings that are there. Physical surroundings, Mr. Chairman, as I said in the House, that have existed for a number of years, indeed a number of years prior to the change in Government.

On the major issues of ventilation and space and facilities, those will be addressed, and I am pleased my honourable friend has removed today the impression that we also had the more graphic and lucid details at our disposal and ignored them, as was the impression that one might have taken from the nature of her questions earlier on.

**Ms. Hemphill:** Mr. Chairman, I am quite sure that when I was communicating, you will understand the limitations of the House and the amount of time you have to put your question so you cannot say everything that you know and all of the background to it in putting it, but in the other discussions I made it very clear that some of the information had come to me from my personal experience and observation, I said that.

One of those things was the refrigerator. I also released the report to the media so that the media was able to see what, out of the points that I made had come from the report, and what had not. I appreciate the Minister saying that if there are other things that can be done that are reasonable that perhaps do not take an inordinate amount of money or that are possible within the facilities that he is willing to raise them with

administration. I think there are additional things that can and should be done other than putting in a new fridge and moving some of the babies out.

I am going to indicate what I think they are. I also want to say that I went to a fair amount of trouble to identify things that could be done that were possible. So we were not asking for the impossible, either in terms of fiscal resources or physical facilities, while you are waiting for the new facility to be completed.

I think the meeting room is an important point. I am going to make it again. I do not think you need two rooms left vacant waiting for people to have a meeting, while nurses have no place to go to teach parents how to look after a premature baby. So I ask if you can explore the possibility of freeing up one of those rooms? Not the one you just renovated, keep that one but free up the other one for those other purposes.

Secondly, I am wondering whether one of the steps I understood that was being considered was to take the head nurse's office, which is a very small office, to move her out and to renovate it so that medication and intravenous could be prepared. I am wondering if the Minister has been informed if those steps have been taken.

**Mr. Orchard:** No, I have not been so informed.

**Ms. Hemphill:** Then I wonder if the Minister could ask, because I understood that it was one of the things that had been looked at, and it was felt it was a possibility. I am wondering if the Minister could see if it has been done and, if not, if that could be explored further.

**Mr. Orchard:** Mr. Chairman, as I indicated to my honourable friend at the start of her questions, I am prepared to listen attentively to her suggestions. If she cares to make them, I will listen attentively. I will propose them or have them proposed to the management of the Health Sciences Centre. As I have indicated in the past, the reasonable approach has always been what I have found to be the hallmark of management at the Health Sciences Centre. So if my honourable friend would continue with her list, we will certainly advance that to the hospital.

\* (1600)

**Ms. Hemphill:** I appreciate that and that is all I am asking. I think I am putting forward reasonable possible things that will collectively help to improve the situation a little better than the steps that I believe have been taken to date.

One of the other areas that I raised was the question of surrogate parenting. I am not sure whether this is an appropriate role, but there are babies who sometimes are in there because it is a longer term care nursery for up to three months. Sometimes those babies may or may not see their parents at all and maybe only once or twice. The nurses do the best they can to provide stimulation to those babies with the time they have left after the care of all the other children. If they have a half an hour when they are not doing anything, because I have seen them do it, they pick

up a child and talk to it and play with it and give it some stimulation. I thought I saw a baby there, a baby that was showing signs of sensory deprivation because they admit that they cannot give the full care and stimulation that is needed. I think a surrogate grandparenting program is not only desirable but absolutely necessary, and I believe if that information was made to the public, people would offer themselves to come forward to adopt a child for this period of time and to come in and serve as a surrogate parent, or surrogate grandparenting position situation. I am wondering if any thought has been given to that and, if not, if that is something that could be explored with appropriate personnel or level, whichever it is.

**Ms. Hemphill:** Mr. Chairman, there is one other area that I think is critically important and the Minister said that in terms of stress—I think the nurses are going to continue to work under stress in that facility, and the babies are going to continue to be in a stressful environment, but we know that you are having trouble recruiting for that area. Five nurses left this summer and they are having trouble getting casual people in and recruiting other nurses.

St. Boniface has a very successful part-time job-sharing nursing program. It is one that has been in for a while. It is working well and it is giving nurses opportunities and options to work in one of the two extremes, one being on staff full time and working full time in a very stressful environment and the other one is just casual where they get no benefits and where they are called at the last minute and they have no guarantee of hours.

Could the Minister explore with administration, helping the nurses by giving some more flexibility and options for nurses to work, particularly in high stress areas like this, by exploring job sharing and part-time nursing?

**Mr. Orchard:** Mr. Chairman, as I indicated to my honourable friend, when she raised a similar issue in the House, that it is not my responsibility to negotiate job sharing or any other working conditions. We do allow, and in fact require the management of hospitals in negotiation, discussion, co-operation with the employees and their representatives, if they are unionized, to undertake and explore those kinds of arrangements.

Now that is open to the management of Health Sciences Centre. There is absolutely nothing that I am aware of in our policy guidelines, funding guidelines, which would mitigate against any facility undertaking those kinds of meaningful discussions. I do not undertake those, because I am not the management of those facilities, nor am I the union negotiator for the employees in those facilities, and as such I do not believe I have the ability to meaningfully negotiate from this office, or today in this committee to make those decisions as to how management and employees ought to arrange working hours, conditions, job sharing, part-time work, on-call work.

As I indicated to my honourable friend when she posed these questions in Question Period, that again

the management of the facility in question is open to suggestions, not necessarily from you or I as MLAs but certainly from their staff. If that is an arrangement the staff would believe workable I believe that would be the appropriate venue for discussions.

I have absolutely no difficulty if the management at any hospital decide to emulate that kind of working arrangement if it does accomplish two things, provide quality staffing to care for patients in the facilities, and provide a greater level of satisfaction and contentment with the working conditions for the nursing staff and other staff within those institutions.

That is the reason for global budgeting and decision making at the institutional level so that each institution can tailor their labour-management relations in a fashion suitable to undertake the provision of quality care in those facilities, and that option to be explored is absolutely open to the management and to the employees of the Health Sciences Centre.

**Ms. Hemphill:** Mr. Chairman, I appreciate that. I was not expecting the Minister to get involved directly in negotiations. I think questions that are arising on the conditions of this nursery for nurses to work and in the report that has come out about the role of nurses and the abuse and some of the difficulties nurses are working under and the difficulty in recruiting, I think the Minister has some responsibility overall to concern himself with the role that nurses play, with the general working conditions that they work under, and with encouraging progressive moves toward making the job a little more in tune with 20th Century activities.

Since he suggested if they would find that to be useful, that it is something that could be, he thinks, explored. I think if anybody raises the question, you will find that they think it is very useful. Any indication by the Health Sciences Centre that they would be willing to move toward part-time job sharing for nurses when so many of the nurses are working mothers who are trying to juggle and balance both, who would love the opportunity to job share, who would love the opportunity to work part-time. I just encourage him, if he thinks all that is needed is an indication of some interest by them that he ask the administration to explore that with the nurses and see if they can begin to work toward some improvement in nursing working conditions.

**Mr. Orchard:** Well, Mr. Chairman, I am a very innovative and progressive individual. That is why we have undertaken some substantial reform of the health care system in the last 17 months, the objective being to provide quality patient care. I have in fact for the last 15 to 16 months that I have had direct association with boards, with administration of our various facilities, encouraged them to be very innovative in their management approaches to make working conditions, to make patient care, to make the whole system function better within budget. I think that is being achieved by opening light on the management system and allowing them innovation, flexibility to encourage that. That is the whole genesis behind the Health Services Development Fund, innovative thought, innovative program, innovative ideas.

The bottom line goal of all of that is to maintain and improve quality of patient care and hopefully as a direct

offshoot to improve management conditions, staff conditions, employee relations within the facilities. That is something that I have encouraged all management in my speeches, in my personal discussions, in my meetings with them because that is what will make the health care system better. Not rigid formulas, rigid guidelines, adherence to strong policy direction that may be partisan in nature or may be inflexible. Open management, open discussion, bringing everybody around the table to resolve problems. That is what we have done in this Ministry of Health, and that is what I have encouraged participants in the health care system to do as well.

\* (1610)

That is a responsibility that I think all the management and administrations in this province take seriously, and I believe the employees of the health care system likewise take it very seriously. As a suggestion that I do not have to make today at my honourable friend's request because it is part of the urgings that I have made on the system for the past number of months that I have occupied this chair.

I thank my honourable friend for supporting that kind of flexibility and openness and progressive direction in management and labour relations.

**Mr. Chairman:** Shall the item pass—the Member for Kildonan.

**Mr. Cheema:** Mr. Chairperson, I would like to comment on behalf of my caucus on the intensive care nursery situation and the intermediate nursery at the Health Sciences Centre. I have had the personal experience of working at St. Boniface nursery for the last four and a half years on a regular basis, and this problem of overcrowding is not unique to the Health Sciences. It is also common for the St. Boniface Hospital, because to the best of my knowledge they are supposed to have eight to 10 babies in the intensive care nursery area. At times they are upgrading within 12, even 12, 13 or 14 babies and sometimes they are over the capacity of even the baby who needs ventilator support.

I must commend the staff and the nurses who have been working at St. Boniface under those conditions. It is my understanding that there is a possibility that they may get an expansion of their services, but we will probably ask the Minister of Health while we are discussing the capital expenditures.

The point that I want the Minister to know is that the location of the nursery at St. Boniface close to the father's room, which is a very small room, that does not accommodate more than six people at a time. That room is also in a similar situation which you have at the Health Sciences Centre.

What has been happening there is that the father, the family, and other members come there and almost stand in the corridors, because they do not have any space. That needs to be addressed because for them just to stand in line—it is not a matter of a few minutes or an hour. Sometimes it takes more than that for them to hear the good news from the obstetrical floor, but

I am sure that will be addressed during our debate on capital expenditure.

Probably one of the best programs we have in Manitoba is the neonatal transport team system. That is co-ordinated with both the Health Sciences and St. Boniface Hospital and both units function extremely well in diverting patients from one place to another in cases when they need that. I think that is saving taxpayers a lot of money and they are providing excellent service. I will reserve my questions for when we are discussing the capital expenditures.

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

Item 1.(b) Executive Support, 1.(b)(2) Other Expenditures, \$100,200—pass.

**Item 1.(c) Health Advisory Network:** Provides for the operation of an advisory network comprising health care professionals and lay people outside of Government to consult on major policy issues and assist in the development and implementation of improved health services, \$500,000—the Member for Kildonan.

**Mr. Cheema:** Mr. Chairperson, my first question is: can the Minister of Health (Mr. Orchard) tell us how much money they spent last year on this Health Advisory Network plan? The Health Advisory Network was not even in place until the first week of January, and to the best of my knowledge they did not even have their first meeting last year. Can he tell us how much actually they spent, and how much they saved?

**Mr. Orchard:** The expenditures were very, very economic last year, Mr. Chairman. They were \$58.00.

**Mr. Cheema:** Can the Minister of Health tell us if the rest of the money was reallocated to the other health services fund or to the Manitoba Health Services Commission? Where is that money now?

**Mr. Orchard:** The balance of the appropriation was under Expenditures in the Department of Health.

**Mr. Cheema:** Mr. Chairperson, can the Minister of Health tell us how he can save money at the same time that he was complaining they did not have enough resources to give money for home care services, give money at the Health Sciences Centre for cardiac surgery. How can he justify and stand up in the House and now say they are saving money when people are waiting for a number of surgical procedures?

**Mr. Orchard:** Mr. Chairman, my honourable friend ought to have a little level of understanding on lapsed funding because the three areas that he has mentioned already he is grievously in error in the statements he has made.

First, in the home care program, there was an increase year-over-year in the spending on home care. We will deal with that when we get to the home care line. There were not expenditures to the level that were anticipated now two years ago when we formulated the Estimates. There was an increase in funding and there was money available for increase demand. There was not increased call for service in home care.

My honourable friend mentioned open-heart surgery. My honourable friend ought to be aware that there were more open-heart surgical procedures and more thoracic surgical procedures last year than ever before in the history of the Province of Manitoba, not a decrease in service as my honourable friend would like to leave the public impression of.

Third, my honourable friend said, how could we let the budget of the Health Sciences Centre go down? In fact, the budget of the hospital lines in our budget, which replaced the defeated budget, was 10 million more allocated funding for hospital spending than in the defeated budget. Again, more money, not less money, to the hospital system.

My honourable friend does not understand the process of budgeting. You budget dollars in anticipation of need of service. Mr. Chairman, I know that the Liberal philosophy and Party policy is, back up the Brink's truck, a quote that came from an Honourable Member of the Legislature last year. Not myself, I wished I had of coined that one. It was a dandy, but I have to give that one over to my almost benchmark and my almost soulmate, the Member for Concordia (Mr. Doer), who is the Leader of the third Party in the House.

Just simply because Government budgets money does not mean they necessarily go out and willy-nilly wholesale spend the money. Governments budget money to meet anticipated needs. Where the needs exceed the amount budgeted, there is Special Warrant, reallocation, and sub-appropriation transfers, which occur. Where the anticipated demand does not materialize, Governments do not go out and willy-nilly spend the money. That seems to be a misunderstanding my honourable friend has as the Liberal Health Critic.

There was no denial of service anywhere in the system. There were no selective cuts, as other critics have said, in the health care system. There was underspending because of some policy initiatives of this Government which are very beneficial and also because demand in the year period did not materialize to the level anticipated when the budget was struck. Bear in mind that right now Government is budgeting for the expenditures to take Government from April 1, 1990, to March 31, 1991. Some time in late 1991 my honourable friend might be asking questions, well why did you not spend the money that you had in the budget as of March 31, 1991, which was created in November of 1989. The answer is simply that we were not as accurate in forecasting the demand for the program and because we had been given authority to spend does not carry with it a requirement to spend.

\* (1620)

Now my honourable friend of the Liberal Party might want to take this opportunity to tell us the Liberal Party policy. Is the Liberal Party policy that if you have a budget, you spend it whether there is need for the service or not? Do you spend every last nickel that you are budgeted? I am interested in knowing and more importantly the taxpayers of Manitoba are interested in knowing.

**Mr. Cheema:** Mr. Chairperson, can the Minister of Health tell us what is the composition of this Health Advisory Network?

**Mr. Orchard:** I certainly can, Mr. Chairman. The Steering Committee of the Health Advisory Network is chaired by Dr. Arnold Naimark. Members on the steering committee include Dr. Jack Armstrong, Mr. John Bulman, Ms. Marguerite Chown, Mr. Larry Desjardins, Mrs. Eleanor Giffin, Dr. Helen Glass, Mr. John Green, Ms. Mildred Murray, Sister Jacqueline St. Yves, Mr. Lloyd Shelvey, Mrs. Floria Zaharia, and my Deputy Minister, Mr. Frank Maynard.

We had a resignation from the steering committee. Dr. John Horne took a position as a vice-president with the Health Sciences Centre. As such, we have no one with an active involvement of an institution on the steering committee, so we had to tender his resignation. I signed off the press release today where Mr. Matthew Jones will go on the Steering Committee of the Health Advisory Committee.

**Mr. Cheema:** Mr. Chairperson, can the Minister of Health (Mr. Orchard) tell us why there is not a member from MONA, MARN on this committee?

**Mr. Orchard:** Mr. Chairman, there in fact is, except they are not directed or suggested by MARN or MONA, just the same as there are physicians on here but they are not MMA or College of Physicians and Surgeons, just as there are members of management, i.e., Mr. Larry Desjardins. There are no active administration members of any of the major institutions or minor institutions in the province.

**Mr. Cheema:** Is there any member from the Manitoba Medical Students Association?

**Mr. Orchard:** No, Mr. Chairman, there is no member of any active association whether it be MMA, whether it be MARN, whether it be MONA, whether it be the RPNA Association, whether it be on and on and on, and that was very deliberate.

**Mr. Cheema:** Mr. Chairperson, I do not think the Minister understands that even Dr. Armstrong is an active member of the MMA. He may not be sitting on a board, I do not know that, but he is still a member of the MMA, still a member of the College but that does not satisfy the answer, but my—

**Mr. Orchard:** But, Mr. Chairman, that exactly makes the point that Dr. Armstrong is a physician, he is a member of MMA, but he is not an executive member of MMA. There are members who are members of MARN there, but they are not executive members of MARN. There are members who belong to the MONA, but they are not representatives of the MONA because we have attempted to keep the steering committee and even the subcommittees, the task forces of the Health Advisory Network, the membership on it are not to be there representing the narrowed interest of their professional or institutional associations.

We did that deliberately so that hopefully we would have them leave their professional association hat outside the door of the Health Advisory Network and come in with their expertise to focus on resolving problems, not from a narrowed partisan point of view

or a turf-protecting point of view. That is why, and I have made that explanation on a number of occasions, I will admit my command of the English does not allow me to be definitive and explain it as well as I should.

**Mr. Cheema:** Just for my clarification: is there a member from the rural communities on this committee?

**Mr. Orchard:** No, Mr. Chairman, there are several.

**Mr. Cheema:** I think the Minister is again missing the point here. Even though he said that he is not going to take any member from any organization, but still the Manitoba Medical Students Association—I think those are the individuals who could play a wider role to develop the policies for the future. The Minister has himself attended a meeting with all the organizations, including the student association with municipalities and all the rural communities at Portage.

I think that was a very excellent way of bringing all the parties together and bring some solid proposals, but I would strongly recommend or request the Minister that they should have a representation on this special committee. Will he agree to that or not?

**Mr. Orchard:** No, I cannot accede to that because that is the case that has been made by any number of other professional organizations. Social workers can make that, as a professional association, so can the psychologists and I can go on and on and on.

What we tried to do here was to pick a balance of not only professional discipline, but community involvement, understanding and knowledge to bring together a group of minds that I think can offer resolution to problems. It was never intended to be all inclusive in the membership, to touch all bases in the medical professions and support professions. That was never the intention. So it is not an omission by design or malice. It was simply a pragmatic and practical approach that we believe will work in the long run. It is not to say that all of those organizations do not have the ability to make their perspective known on issues of importance to them in the decision-making process of the Health Advisory Network. That is certainly open to them and welcomed, in fact.

**Mr. Cheema:** Can the Minister tell us how many subcommittees there are out of this Health Advisory Network and who is the chairperson for each committee, and how many times these committees have met so far?

**Mr. Orchard:** There are six subcommittees that are operational now and three more that are the membership and the terms of reference are being completed. The Teaching Hospital Cost Review Task Committee is co-chaired by Mr. Terry Falconer and Mr. Jack Parsonage. The Extended Treatment Bed Review Subcommittee is chaired by Mr. Ron Birt. The Winnipeg Hospitals Role Definition is chaired by Mr. Harold Thompson. The Rural Health Services Subcommittee is co-chaired by Ms. Ellen Mills and Mr. Dwight Hopfner. The Northern Health Services is co-chaired by Dr. Brian Postel and Mr. Bill Patmore and the Health Services for the Elderly is chaired by Dr. Nina Chappell.

**Mr. Cheema:** Can the Minister tell us how often these committees are meeting and if any solid proposal has come out of the meeting so far?

**Mr. Orchard:** The Extended Treatment Bed Review since May '89 has met nine times. The Teaching Hospital Cost Review has met five times. The Winnipeg Role Definition Task Force has met three times. The Rural Health Services Subcommittee had its first meeting in September. The Northern Health Services held its first meeting in September, as did the Health Services for the Elderly. The latter three subcommittees are more recent in their striking and mandating.

**Mr. Cheema:** Mr. Chairperson, I was asking the Minister if any committee has come up with any sort of solid proposal so far and, if not, when can we expect a proposal from these committees?

\* (1630)

**Mr. Orchard:** We have not had any of the subcommittee reports and we are expecting the first one from the Extended Treatment Bed Review, we hope, by the end of November.

**Mr. Cheema:** Mr. Chairperson, as regard to Extended Treatment Bed Review, can the Minister of Health tell us what are the guidelines his department has issued and who are the other partners, other than the subcommittee?

**Mr. Orchard:** You want to know the membership of that subcommittee?

**Mr. Cheema:** If you just could pass us the photocopies and we do not have to go through each of the lists, it should be okay.

**Mr. Orchard:** The Extended Treatment Bed Review is, as I said, chaired by Mr. Ron Birt; Mrs. Eleanor Giffin is a member; Dr. Paul Henteleff; Mr. Colin Lount; Mrs. Joyce McFarlane; Miss Evelyn Shapiro and Mrs. Edith Swanhill are the members of that.

We can give you the information of terms of reference.

**Mr. Cheema:** Mr. Chairperson, I would appreciate if we could get the terms of reference for this committee and what are the areas they are looking at, and what is their definition of extended treatment bed review and how they are co-relating with the hospital and with the Manitoba Health Services Commission, as well as with the personal care homes in Winnipeg. I think it is extremely crucial because this goes back to my question I was asking the Minister, what kind of planning do they have to provide services to the individuals who are in there who could be in either a personal care home or in extended care beds? That was the intent of the whole question and the Minister just took a sideline, as usual, but he failed to address my issue. I think it took him a long time.

Can the Minister of Health tell us in continuation of the same issue, is the Deer Lodge Hospital being reviewed by the same committee or not?

**Mr. Orchard:** The Deer Lodge Hospital per se is not being reviewed by the Extended Treatment Bed Review Task Force, but certainly the availability of beds at Deer Lodge, as extended treatment or other purpose beds, other than personal care home beds, is part of the decision-making process. Extended Treatment Bed Review's first task is to establish for us what is an appropriate bed definition and numbers required, and to hopefully provide some insight on what the appropriate configuration of those beds are. That is a study involving the municipal hospitals, Grace, Concordia, as community hospitals, and Deer Lodge, as a formal extended treatment facility and veterans' facility.

**Mr. Cheema:** Mr. Chairperson, as the Minister of Health indicated that the Deer Lodge Hospital is particularly not a component of this review, can he tell us what is the present status of the Deer Lodge Hospital in terms of extended care beds because the question was raised in the House and we still do not have a clarification of how many beds are supposed to be for extended care, how many beds are supposed to be for the veterans' association. I think he needs to clarify the situation.

**Mr. Orchard:** I cannot clarify that situation today because that is exactly the kind of recommendation that we wish to receive from the task force because there were 105 beds I believe of newly completed construction, and to date only seven of those beds are being utilized in, I believe, a psychogeriatric format. The other 88 beds, the role assessment for them, so that one can appropriately staff and develop programs are not occupied right now because they are not staffed. We are counting on the recommendations of the Health Advisory Network to indicate to us what the system need is for extended treatment versus chronic care versus other areas of longer term care other than personal care home. The ultimate use of those 88 beds at Deer Lodge will be, in large part, influenced by some of the recommendations of the Extended Treatment Bed Review Task Force.

**Mr. Cheema:** Mr. Chairperson, can the Minister just clarify? A few minutes ago he said that Deer Lodge was not the major part of the Extended Treatment Bed Review committee. Now he is saying that this is major part of their study.

**Mr. Orchard:** Mr. Chairman, my honourable friend maybe did not understand what I was saying. The issue before the Extended Treatment Bed is four facilities. Deer Lodge is one of the four facilities. Deer Lodge is a determination or a guidance, if you will, in terms of what use to put already existing beds to, to what purpose to use them.

The other three facilities, as my honourable friend well knows, have had before Government for various years, from 1985, I guess in the case of Grace Hospital and Concordia Hospital, to probably 1965. Municipal Hospitals have a redevelopment plan before Government which has not been acted upon, so that all four facilities are part of the discussion but from different perspectives. Because Deer Lodge Hospital

already has the beds, the other three facilities have proposals to either add beds or replace beds. That is why the decisions made in terms of the capital decisions will affect only three facilities, because the capital decision has already been made in the case of Deer Lodge Hospital.

**Mr. Cheema:** Mr. Chairperson, can the Minister tell us how long these beds at Deer Lodge have been ready to be occupied? He said that the beds are ready but they do not have a staff. Can he tell us how long these beds have been empty?

**Mr. Orchard:** Approximately July of this year.

**Mr. Cheema:** Mr. Chairperson, that makes my point. Three to four months these beds are empty and the Minister knew that this situation was coming along. They had this Health Advisory Network for the last few months, why was this not made a priority issue?

**Mr. Orchard:** Mr. Chairman, it is so simple in my honourable friend's mind that if you have an empty bed you fill it. That is what my honourable friend is saying. That is not what I am saying. What I am saying is that we determine the most appropriate use of the beds at Deer Lodge Hospital. Certainly we could fill them tomorrow if we had the facility staffed, but what would we fill them with for the long-term benefit of the system? Would we make them into personal care home beds and ignore the very extensive, and actually probably one of the best support facilities in terms of rehabilitation, in occupational therapy, physiotherapy, speech therapy, audiology, that is available, particularly to seniors. Deer Lodge Hospital has one of the finest support areas of any institution that I have been in. Is my honourable friend suggesting that simply because since July we have had beds available that we should have staffed them and then moved people into them without knowing whether we are making the most appropriate use of those beds for rehabilitation of those patients, for chronic patients who need extended and complex care regimes?

My honourable friend, and I only offer this advice to him once, my honourable friend has to get out of what I call his peculiar medical perspective that if a bed is empty you fill it. That is not not the way we can operate the health care system, and it is not the way I intend to provide guidance to the health care system.

\* (1640)

The Deer Lodge hospital beds will be utilized in the health care system, I will guarantee my honourable friend that. What I will also guarantee them is that they will be used in the most appropriate fashion, given the capabilities, the very special and very first class capabilities, of support services that Deer Lodge has. That will emulate from a study of the system of bed availability and bed needs in the City of Winnipeg and the Province of Manitoba currently under consideration by a group of experts in the extended treatment bed review.

**Mr. Cheema:** I do not have any difficulty with the study but when the Minister of Health knew that these beds

were coming, it did not come in one day or two days, can he tell us when he knew that these beds would be ready? That is my simple question.

**Mr. Orchard:** My honourable friend should be aware that the Deer Lodge hospital reconstruction was an agreement that was signed, in 1980 I believe, when my colleague, the Honourable Bud Sherman, was the Minister of Health. It was an agreement signed with the federal Government wherein the federal Government would provide the Province of Manitoba with the capital dollars for the complete reconstruction and rebuilding of Deer Lodge hospital, in return for which the Province of Manitoba would assume the full operating costs of that facility and guarantee—and I may not be exact on the number, but I believe there had to be a guarantee of approximately 150 beds dedicated to veterans of the war efforts of the nation of Canada.

That was our obligation, to assure that there were spaces for those veterans in return for a complete capital redevelopment of the facility paid for by the federal Government and operating by the Province of Manitoba. So I suppose my honourable friend, if he wanted to stretch the bow long enough, could say I was aware these beds would be available in 1979 or 1980.

**Mr. Chairman:** Shall the item pass—the Member for Kildonan.

**Mr. Cheema:** Can the Minister of Health update on a review of the obstetrical services in Winnipeg?

**Mr. Orchard:** The obstetrical services issue is one of the first questions, if you will, or issues, more appropriately issues, put before the Winnipeg Hospital Role Definition Subcommittee. They are undertaking that kind of discussion with the hospitals affected because my honourable friend is well aware that we have a rather interesting circumstance. We have obstetric services that were closed at two community hospitals and then subsequently located at St. Boniface. The service capacity at St. Boniface is now operating at, for all intents and purposes, 100 percent of capacity. That by itself is a problem for the hospital but the challenge to the system.

I want to try and impress upon my honourable friend as Liberal Health Critic, and he may some day be the Health Minister, that there is more to problem resolution than looking at the individual institution or the individual part of the department or individual professions. One has an obligation to look at the system when considering resolutions to problems.

Now the institution of St. Boniface is operating at 100 percent capacity. One of the challenges, and one of the questions that I ask myself and I ask my honourable friend to contemplate, is what do you do with one facility at 100 percent capacity and within five minutes of another facility, namely Misericordia which is at approximately 70 percent capacity, and my honourable friend toured that and knows that they have capacity—and within 15 minutes at Victoria Hospital, another facility that is operating with about 30 percent

unused capacity and in fact both of those institutions, Misericordia and Victoria, formerly offered their services, their capacity, to the facility operating at 100 percent.

I suppose the easy solution my honourable friend might propose is to build at St. Boniface. Is that an appropriate response when you have excess capacity or the ability to provide service in already existing staffed facilities that will cost nary a tittle more to operate with a few more births per year? That is correct.

That is why I say to my honourable friend and to some of my other honourable friends in the official Opposition that if you narrowly attempt to resolve problems in the health care system by going institution by institution and narrowing your focus you will continue to make inappropriate decisions for the system that do not resolve problems for the system.

**Mr. Cheema:** Mr. Chairperson, it is really surprising, from the Minister's answer he should know very well that we are the people who have brought this issue a number of times on the floor. St. Boniface has experienced a lot of difficulties, and I agree with the Minister of Health (Mr. Orchard) in one respect, it is not his fault initially. It was an unfortunate situation created by the NDP, because when you have the Seven Oaks Hospital and Concordia Hospital, you closed the obstetrical floor without even having an impact study, without knowing that the north end is growing, so are the northeast and northwest part of Winnipeg.

So when you built, all the structure was there, it was the taxpayers' waste. I think our local MLA was very ineffective to protect at least my riding. I think it is a very unfortunate situation.

Now when the space at Seven Oaks is in the process of expanding the ambulatory care, I think that is one very positive step that has been done by the present administration.

Going back to the question of obstetrical services I asked the Minister of Health what is their policy, whether they want to centralize the services in the two major hospitals and keep the other community hospitals or they just want to, as he is saying that, use the Misericordia Hospital but leave these two teaching hospitals untouched. What is the policy of this administration, whether to centralize the obstetrical services or decentralize them?

**Mr. Orchard:** I thank my honourable friend for clarifying the genesis of the problem at St. Boniface in that it emulated from a decision by the previous administration. Although I hasten to add, at that time the decision was made my honourable friend was a contributing member of that Party.-(interjection)-

Mr. Chairman, all jesting aside, obviously my honourable friend did not influence his former Party affiliation a great deal when he practised at Seven Oaks and was not able to convince them their decision was wrong when he had such close association with them.

The issues of where and with what taxpayer investment obstetric services in the City of Winnipeg

are to be undertaken is exactly the kind of guidance that I am seeking from—is one of the first questions put to the Winnipeg Hospital Role Study Task Force, and I think they will have some interesting insight to provide, because I quite frankly did not see a great deal of long-run sense to the closure of obstetrics at Seven Oaks and Concordia. At the time we questioned that move, but it was a decision that was made and presumably for reasonable reasons. I cannot say that the previous administration would do it maliciously or anything like that. I think they had probably some reasonable underpinning for the decision making, but I think if they had to re-examine that they might indicate the decision was an inappropriate one. I am not certain. I cannot speak for them. The difficulty is we inherited that decision, and it is sort of like unscrambling an omelette you simply cannot do it.

\* (1650)

The obstetric area in Seven Oaks is used for outpatient ophthalmology, and Concordia, I am not certain whether it has been put to other uses, but that is why I am seeking advice, not simply from professionals or departmental staff but rather from a group of knowledgeable individuals to give me, what I believe will be, balanced advice on directions this Government ought to take in terms of resolving some questions that are posed to us in terms of obstetrical and birthing capacities in our Winnipeg hospitals. I simply look forward to receiving that advice.

**Mr. Cheema:** Mr. Chairperson, is that Minister saying he does not have his own views the way the system should be run in terms of obstetrical services? What are his own views on centralizing versus decentralizing services?

**Mr. Orchard:** If my honourable friend is asking whether I believe obstetrics ought to be solely and exclusively in the City of Winnipeg, a proposal that has been made by some Members of the medical profession in the past, no.

My three children were delivered, and I was there with mother, and in a small rural hospital by a general practitioner, and those children are healthy. They were given the utmost in quality care.

So if my Honourable friend is asking me do I believe everybody has to come to Winnipeg for birthing, absolutely not. In terms of how to resolve a 100 percent capacity at St. Boniface when surplus—or surplus is rather a technical term—but when excess capacity or available capacity is present in other facilities I want to get expert advice on how we resolve that issue, because there are significant taxpayers' dollars that are at stake here, present investment in the potential of further investment, and I want to make an informed and reasoned decision.

**Mr. Cheema:** Mr. Chairperson, I was not at all suggesting in my question about the rural health services—I was talking particularly about the Winnipeg hospitals, and we strongly believe the rural hospitals must have obstetrical services in the best possible way.

I think for any primary care hospital without the obstetrical services it will not be doing the services after spending \$1.5 billion. My question is still to the Minister there. What is his policy on obstetrical services for Winnipeg hospitals?

**Mr. Orchard:** I really do not know what policy my honourable friend is seeking, because if he is asking me if I want to close all of the obstetric services at Grace—Concordia has already been closed—Misericordia and Victoria, no, I do not think that is the Liberal Party policy either. So if that is what my honourable friend is asking the policy is obvious by its implementation, and I will give my honourable friend the information he requested earlier on.

**Mr. James Carr (Fort Rouge):** I would like to ask the Minister, at the appropriate moment, some questions on the virology lab. Maybe he could advise me when that would be.

**Mr. Orchard:** I do not think we have a line in the Estimates for the virology lab.—(interjection)—Right now is just great if he wants to pose a question.

**Mr. Carr:** I would like to ask the Minister for some explanation and some background to the views that he has been expressing over the last number of days that the site of the virology lab is more appropriately placed next to the Health Sciences Centre and the University of Manitoba Medical School. I wonder why he has come to that view.

**Mr. Orchard:** Mr. Chairman, let me offer a slight technical change in the question. I think my honourable friend, the Member for Fort Rouge, just recently has come to that conclusion. I came to that conclusion a number of months ago. I cannot give my honourable friend the exact date but probably I guess about a year ago or so.

The reason I came to that conclusion and indicated that by letter to the then federal Minister of Health, the Honourable Jake Epp, was as a result of consultation with the mayor of Winnipeg and consultation with people in the medical community, albeit mainly at the Health Sciences Centre, but people who have both a substantial degree of involvement not only in clinical medicine but research medicine. There are a number of people whose opinion I very much value. Also, in consultation and discussion with the three individuals who were on the site selection committee, I believed it made imminent sense to have the virology lab in the environs of the Health Sciences Centre.

When the mayor of Winnipeg indicated that the "Tecumseh site" would be appropriate and be available—and I might add to my honourable friend that no request for financial contribution by the province—I just said that is a natural fit and that concluded my strong support. I represented the Government in that request, the Premier and my colleagues. That is why I indicated to the then federal Minister of Health that would be in our opinion—although we had no financial involvement, for what our advice was worth and what our support was worth, the

site that we believed would be most beneficial for location of the virology lab. It was not arrived at lightly, it was arrived at after some considerable discussion with the individuals I have mentioned and certainly after discussion with the mayor of the City of Winnipeg.

**Mr. Carr:** Could the Minister give us some detail about the work that will be done in that lab and how that work will benefit the research community in Manitoba, and just what kind of value he places on that synergy which will result from the proximity of the lab adjacent to the Health Sciences Centre and the University of Manitoba Medical School?

**Mr. Orchard:** I would love to be able to provide that, but I would have to create my vision of the synergy, because I am not a research scientist and I am not a medical professional, so therefore I cannot give my friend that direct information.

What I will share with my honourable friend are two views, the view that I happen to adhere to being that as recommended and advised by clinical and research professionals at the Health Sciences Centre and with the Faculty of Medicine who saw a substantial benefit from the working environs. I happen to believe that they are knowledgeable individuals in research and their opinion is valued, and indeed valued enough so that the recommendations were made by the select group, the blue ribbon group they called it, who said that would be the No. 1 location.

However, the other side of the equation, which I obviously did not agree with, is that there would be no synergism between researchers because these people are dressed in space suits that are entirely isolated. Their working environment is highly controlled and no one gets in there but an employee and a researcher, and therefore there would be no synergism. There would be no communication and no cross fertilization of research ideas. Now in the work environment, strictly that may well be the case, but that is not my understanding of the nature of the research community.

The research community from time to time take coffee breaks or sit down after work before hitting the rush hour traffic and collaborate over a cup of coffee or a glass of milk or carrot juice. It is that kind of synergism that I think is possible through closer proximity of the virology lab to a fairly significant and major research establishment and endeavour at the Faculty of Medicine in the Health Sciences Centre. So that I did not adhere to the second school of thought, as I have enunciated to my honourable friend today, I believed the logical conclusion was that provided to me by people whose opinion I valued and whose confidence I trusted, those being some of what I considered to be leading clinicians and researchers in the City of Winnipeg.

**Mr. Chairman:** The hour being 5 p.m., it is now time for Private Members' Hour.

Committee rise.

## SUPPLY—RURAL DEVELOPMENT

**Mr. Chairman (William Chornopsky):** I call this committee to order. This section of the committee will deal with Rural Development. We are on page 145, item No. 4, Municipal Assessments—the Honourable Member for Springfield.

**Mr. Gilles Roch (Springfield):** Mr. Chairman, it is stated in the Objective section on page 44 of the Supplementary Estimates, one of those objectives is, "To annually equalize in a fair and just manner the valuation of all property in the province including the City of Winnipeg." Mr. Chairman, the City of Winnipeg's aqueduct runs from Shoal Lake in Ontario to its reservoirs at Deacons, in the process going to the Local Government District of Reynolds, to the Rural Municipality of Tache, and the Rural Municipality of Springfield. However, the amounts received by these municipal bodies from the City of Winnipeg in the form of grants in lieu of taxes is substantially less than they would receive it if this were privately owned property.

The biggest loser of all in this most unjust situation is the Local Government District of Reynolds, not only because it contains the greatest amount of land area used by the aqueduct, but also because the aqueduct has and indeed continues to impede potential residential and commercial developments because of the fact that it crosses through prime areas of potential development. This situation has been a long-standing bone of contention, I guess, between the affected municipal bodies and the City of Winnipeg. What is the Minister doing, or the department doing, to rectify that injustice?

**Hon. Jack Penner (Minister of Rural Development):** Mr. Chairman, I understand that the areas that you refer to, specifically the Municipality of Springfield, have formed a working committee, or a task force, to look at the situation and discuss. They have had some discussions with the City of Winnipeg. I have just briefly received some correspondence in that regard. I would like to, before responding to this, discuss with the Minister of Urban Affairs (Mr. Ducharme) because in part it falls under his jurisdiction. If the Member has any suggestions as to what remedial action might be taken or what course of action we should be considering during those discussions, I would like to hear them.

**Mr. Roch:** Mr. Chairman, no doubt normally when grants in lieu of taxes are extended by Government agencies and departments, it is usually an amount equivalent to what would be received in the form of property taxes should it be privately held property. I believe that is what these municipalities are looking for.

The Minister mentioned the work in committee and task force which these municipalities have formed with the City of Winnipeg. Is there any representation on the committee, whether as a fullfledged member, or observer status, from the department?

**Mr. Penner:** Maybe while I am up at this time, I might indicate to the Honourable Member for Dauphin (Mr. Plohman) that during the previous time when we were

in Session here, he asked what the average capital debt to equity ratio was on the assessments. That is 16.33 percent. I have a document here that I could share with him if he wishes to see it.

**Mr. Roch:** Mr. Chairman, the Minister mentioned that he would be getting together with the Minister of Urban Affairs (Mr. Ducharme) because it does indeed overlap into that jurisdiction. I guess essentially this goes back, oh, I do not have the documentation in front of me, but if I recall correctly at least 10 years, maybe more, I am not sure, maybe it is a low estimate. The point is that it is a very long time outstanding issue. I am certainly not putting the blame on this Government because it has been there through three or four administrations.

In the meantime, it has been a loss of revenue to these three municipalities, the major one, of course, being the Local Government District of Reynolds. They are the ones which in my opinion feel the most affected by it because of the large amount of land which is not prime agricultural land. It is not really land which is good for anything, but there is the potential with development which is hampered at that area where the aqueduct crosses, especially in the areas like Hadashville or East Braintree, so on and so forth. I could site many examples.

Does the Minister anticipate any kind of a solution or recommendations coming forward in the near future?

**Mr. Penner:** I appreciate what the Honourable Member is saying that the problem I understand has been there for some time and also that it is a fairly difficult one. I suspect it will take some considerable discussion before any resolve will come out of it. I look forward to the recommendations that the committee is making and see what will come out of those recommendations and discussions with the City of Winnipeg and with my colleague the Honourable Mr. Ducharme (Minister of Urban Affairs).

If there is a resolve to this I would certainly entertain it. I want to say however in my short term of office, I simply have not had time to deal with all the outstanding issues that are there, and there are a number.

\* (1510)

**Mr. John Plohman (Dauphin):** I wanted to ask the Minister just on the Municipal Assessments issue, I understand from reading the Estimates supplementary information that there is an Assessment Reform Committee of Cabinet that has been established. Can the Minister indicate how long that committee has been in place, who is on that committee, chairing it, and is that the same committee or a different committee than the Rural Development Committee of Cabinet?

**Mr. Penner:** There has been a Cabinet committee dealing with assessment reform for quite some time. I understand that the Honourable Leader of the New Democratic Party (Mr. Doer) was the chairman of the previous committee under your administration and it was co-chaired by Mr. Anstett at the time. The

committee status has been retained and is doing I suppose the same type of work that was done previously. The committee make-up currently consists of myself and Mr. Ducharme co-chairing the committee. Messrs. Downey, Manness, Findlay, and Derkach are the members of the committee. Plus there have been at times numerous other colleagues that have sat in on the discussions on assessment reform periodically.

**Mr. Plohman:** I thank the Minister for that information. I asked whether this was the same committee, the same make-up as the Rural Development Committee of Cabinet.

**Mr. Penner:** No.

**Mr. Plohman:** Could the Minister indicate how often or if the committee meets on a regular basis to finalize the ARI?

**Mr. Penner:** The committee has met quite regularly since we took office and has done a tremendous amount of work in this regard.

**Mr. Plohman:** Then that brings me to a question about the Government's current position on assessment reform. The initiative is called the Assessment Reform Initiative, appropriately named. It would signify a major, major initiative, major changes. Of course, we are all well aware that because this has happened over successive Governments right through from the Weir Commission, and perhaps before that, then through the Pawley Government and finalizing the assessment system so that indeed there could be changes made automating the system and so on.

Now we are at the point where the Minister says he will be bringing into this House legislation that would in fact bring into force a new regime for taxation, I would think, based on the assessment. What can the Minister indicate to this House as to the status of that initiative other than the legislation? Has the committee and therefore the Cabinet, the Government, approved the principles upon which the legislation will be based?

**Mr. Penner:** I suppose we are dealing with the assessment reform issue in the right Chamber. I am not quite sure whether debate is at the right time. I had indicated previously, and I will indicate again to Members of this committee that we have done a lot of work on assessment reform. We are in the process of final draft of the assessment reform legislation. We are also at a point in time where we are hopefully nearing finalization of positions that will allow us to bring forward the legislation that I think all of us are looking forward to including both opposition Parties and I am sure all local Government. It will be a change in assessment procedures as Weir had indicated and I think will be an interesting piece of legislation when the final decision is made to bring it forward.

**Mr. Plohman:** The Minister should not try to be evasive in here and from the point of view that he is talking about the final draft, in the process of final draft of legislation. Before final draft of legislation can take

place, there have to be a lot of approvals given. Specifics have to be approved, principles and specifics have to be approved, before the final draft, and then it has to be gleaned through in terms of whether the i's are dotted and the t's are crossed and the words are saying exactly what they are supposed to. Up to that point there has to be principles and details approved by Cabinet, by the Government, as the Government indeed made those, given those approvals. Obviously, if it is in the final draft stage, there would have to be major principles and specifics approved by the Government.

In other words the degree of portioning that will take place, the rural urban shift if there is going to be, farm versus residential, whether all residences will be taxed regardless of where they are located, phasing in processes, all would have to be ironed out before direction can be given for final drafting for legislation, because otherwise the Government is wasting a lot of very valuable people's time. In drafting legislation they really do not know what the directions are because they do not know which way the Government wants to go.

I just want the Minister to make very clear exactly where that stage is now. I am not saying that we have to discuss all the elements of it here, but I want to know whether the Government is at that particular stage.

**Mr. Penner:** Mr. Chairman, it is certainly a welcome the lecture that the Honourable Member for Dauphin (Mr. Plohman) has just provided indicating clearly what procedures have to follow.

I want to however indicate to the Honourable Member for Dauphin that although I am a relative newcomer to these Chambers, there are certain aspects of decision-making that I have been able to be part of over my years of experience, either in business, in agriculture, and otherwise. So also are my colleagues aware of the decisions that have to be made.

There are however not only decisions in principle that have to be made. I think we need to very carefully weigh what the impact, what the various impacts of those decisions would be, if and when they are made. Those are all the kinds of things that we are looking at. Those are what the committee's activities have been over the past while.

**Mr. Plohman:** Then the Minister may want to clarify the record in terms of the stage that he is at. He is far too sensitive about referring to my comments as a lecture. That is not what I was doing. What I was saying is that it is rather incredible for him to be saying they are in final-draft stages when he has not indicated to this House that these basic decisions have been made. What is the impact going to be of that legislation? Has that been determined? Why would you draft it if it has not been determined? Say, well this is the way we want to go? Does the Government know which way it wants to go? It has to know that before it can draft legislation, it has to know what direction it wants to go. I know it is very complicated. That is why it has taken so many years.

It is no reflection on the Minister's experience or lack of or depth of experience in this particular case. What

we are talking about here is he is saying to this House that he is in final-draft process, and yet he does not seem to have approved the principles on which he is going to do the drafting. He does not seem to have approved that he has undertaken the impacts of these principles and knows what they are and has said, yes, okay, we are ready to live with that, and that is what we are doing, we are going to go with that. Have they got to that stage or not? If he has not then he should correct the record and say, well, really no, we are making the decisions yet, then we will finalize the legislation.

\* (1520)

**Mr. Penner:** Mr. Chairman, the Honourable Member is right. I have not indicated to this committee whether we have or have not come to the stage of having made some final decision in some of these areas. I certainly have not done that. If and when I am ready to make those kinds of statements, I will.

**Mr. Plohman:** Well the Minister is being quite arrogant about this. He is obviously very sensitive that perhaps there are some political traps in this whole thing for him, and he does not want to divulge any agenda here. Obviously it is something that I think this House and the legislators in this province have a right to know at the stage it is at. We are not asking him whether he has approved taxing all residences in this province, whether he has approved a shift from farm land to urban or anything in that regard. I have not asked the Minister that.

I just asked him has he simply gotten past the stage of making those decisions, knowing what the impacts will be. That is why we automated the whole system in the first place, so that we would be able to do modelling and determine what would happen under various scenarios. Politicians frankly do not need the surprises that would happen if they just went ahead with blinders on and made a bunch of changes and found out after the totally unacceptable results that followed from those decisions. So that is understandable, but I think we have gotten past that stage now. In the fall of '87 we intended to bring forward legislation. I do not know if we would have kept that timetable, but that is what my colleague the Minister of Municipal Affairs at that time was looking at, the fall of '88, pardon me, the fall of '88. That was a year ago now.

So now the Minister is a year late from that timetable. I have the documents and papers, I can say to the Minister, that were taken to Cabinet that the Minister was bringing forward, and that was his timetable. So we had the timetable there, but now the Minister said he is going to bring forward legislation. He is in final draft form.

I am trying to determine whether he is maybe overstating, making it seem more imminent than it is, and really it is quite far off yet, because he has not made the decisions upon which that legislation would be based.

So can the Minister be straightforward with this committee and tell the Opposition whether in fact those

decisions have been made as to the principles upon which the drafting will take place, or are they drafting in a vacuum at the present time?

**Mr. Penner:** Mr. Chairman, the Honourable Member refers, and he has done so on a number of occasions, to action that they were contemplating and indicating times that they had set for themselves. I think he did this, if I remember correctly, back during the time when I was Minister of Resources, indicated a number of pieces of legislation that he had in his back pocket and ready to carry in, in 1987. I do not dispute that was so in many areas.

However, I think there are a number of things, as the Honourable Member has stated, that must happen before you come to a final decision as to what the legislation will be and what the impacts of actions of legislation would impose upon the general public.

I am quite prepared to say that the equipment or expertise required to do the kind of impact assessments were simply not in place when the Honourable Member left office, and they are now in place.

We now have the computer ability to very quickly do impacts of certain decisions if we would want to make them. So they allow us to weigh very carefully impacts of decisions that we might be contemplating.

I say again to the Honourable Member, if and when the legislation will be ready, in other words the i's dotted and the t's crossed, we will introduce it in these Chambers.

**Mr. Plohman:** The Minister has conveniently answered the wrong question again. I did not ask him about the legislation in terms of when it was going to be brought in again. We asked this earlier and he said sometime, and that was about the level of detail.

He sounds very much like, I guess, the former Member for Springfield when he was Minister in the mid-'80s, former Minister of Municipal Affairs, Andy Anstett, and others on this issue over the years.

The Minister has to realize he does not have the luxury of any further delays in terms of saying, well, we cannot deal with this right now because we have to get mechanisms in place. Now he says, okay, the mechanisms are in place, the modelling can take place.

I would assume from that, Mr. Chairman, the modelling has taken place, and the Minister knows now where he wants to go. Has he made those decisions, or how can he be drafting legislation to implement those decisions, and how can they be in the final draft if he has not yet made those decisions?

**Mr. Penner:** If I wanted to waste a lot of time I could stand up here and speak for an hour if that is the wish of the Honourable Member or the Opposition Critics.

However, my answer would remain the same. In the final analysis, I would not be saying anything different than what I have said up to now. That is we do have the capacity, I say to the Honourable Member for Dauphin (Mr. Plohman), to do the analysis, and I

question the ability if his Party in fact would have, during their course in Government, wanted to introduce legislation when he said, given the time lines under which they were, I would question whether they would have had the capacity to do the kind of analysis that he is now saying we should be doing before we make the decisions. I concur that those assessments must be made and weighed very carefully as to what impact they do have to all Manitobans. So therefore, Mr. Chairman, I would say that the legislation and the impacts of the legislation will be available to the Honourable Member and all Members of this Chamber when we introduce that legislation.

**Mr. Plohman:** Mr. Chairman, the Minister could make this very short indeed if he chose to answer the questions. The fact is that he is showing disrespect for MLAs by not answering those questions and providing a broken record answer that in fact does not deal with what I asked. It may or may not have been a fact that we could have got this done in 1988. The department obviously put forward, or at the request of the Minister put forward, a timetable and legislative program that was going to be implemented by the Government for the fall of 1988 that was done in the planning process in the late winter of 1988 before the election was precipitated. I have the documents on that that the Minister had at that particular time. So that was intended.

\* (1530)

That is not critical. It is important that the Minister has models and so on, so I believe he should be doing that and determining the impacts. That is responsible and has to be done. So then I would ask the Minister specifically, can he tell this committee whether he has determined over what period of time the impact of this legislation would be phased in?

**Mr. Penner:** I guess I have to chuckle, Mr. Chairman, that the Honourable Member would even ask the question that he just asked, because at no time did I say what the content of even legislation would be that we are considering. So for him to question specifically on phase-ins or any other matter that they might have at some point in time considered, I think is simply premature. I would look forward as much as he does to questions and concerns that might be raised during the course of the debate on the assessment legislation when it hits these Chambers. I will look forward to answering those kinds of questions as well as debating the relevance of the legislation and also the impacts to Manitobans of the legislation when we introduce the legislation.

**Mr. Plohman:** Mr. Chairman, in the Supplementary Estimates the Minister has put forward a statement that says that the assessment reform package is being proposed for implementation in the 1990 tax year. Is he still on that timetable?

**Mr. Penner:** Mr. Chairman, I suppose the answer to that would be if the Honourable Member is satisfied that we can get out of here and do our Estimates fairly quickly and if the -(interjection)- I am sorry, I think it

depends largely on having enough time to be able to put forward the legislation and to give it the kind of consideration that it needs before we can in fact assure anybody as to what in the final analysis the timetable will be.

**Mr. Plohman:** So, Chairman, are we to assume that the Minister is backing off from his statement that he has made in supplementary Estimates?

**Mr. Penner:** It must be very clear, I did not say at all that we were backing off of that schedule. However, I did make it very clear that there are certain commitments that must be made on both sides of the House, and that is to allow the time for the introduction and also for the proper assessments of the debate. I have no hesitation at all in voicing, either in the material presented to you our expectations, and it was at that time when the Estimates material was written, our expectation that some time before the end of the year we would be able to introduce legislation.

However, always maintaining the position that if there were things that would appear that would prevent us, we reserve the right to that. Those are the kinds of statements I have made across this province to the Union of Municipalities and have been accepted by the municipal leaders as well as Governments across the province. I say that again to this committee, that if time allows, that is certainly our wishes to, as soon as we can, proceed with the legislation.

**Mr. Plohman:** Well, Mr. Chairman, it is widely known that municipalities believe this is urgent. I ask the Minister: have any things happened that would prevent him from keeping that schedule?

Well, Mr. Chairman, again we see the arrogance of this Minister. This is a serious question. He said if things happen he reserved the right to not bring in according to this timetable. I ask him if things have happened, have there been developments that will cause delays or have there not? I have not caused delays, we have it here. So . . .

**Mr. Penner:** It would have been my wishes to get through with our Estimates in a day or two and it would have allowed me more time, and my staff more time, to work on the legislation and therefore every day that we delay in the House here and every hour we waste, of course, delays the time schedule that we can take to make sure that the i's are dotted and the t's are crossed. It does take people and it does take time to assure those kinds of things, and the longer we sit in these Chambers the longer it will be before we will be able to introduce legislation. So I reserve that right and I think rightfully so. If the Honourable Member is upset with that answer, then I simply ask him to have patience, and when the day comes that will allow us to introduce the legislation we will.

**Mr. Plohman:** I did not ask him when he was introducing the legislation, I asked him whether he was going to implement, in 1990, as he indicated in his Estimates, Supplementary Information. The information was probably developed some months ago and at that time

it may or may not have been the sincere intention of the Government to implement, as per that information. Certainly the department felt that was the case or was shooting for that because they put that in there. The Minister may not have screened it out, he may not have read it, he may not have told them to put it in, but it is in there. I just ask the Minister whether that is still his target, realistic target, for him at the present time, or has something changed because he said he reserves the right to change if that is the case?

Say that it is not the timetable at this particular time, then I would like to ask the Minister some more questions on this issue.

Mr. Chairman, while the Minister, if contemplating whether he wants to answer or not, I want to just ask him another question. Has he determined, for example, an issue, such as whether there will be a shift that would take place from one classification to another of taxation at the present time of assessment property? Will there be such shifts, or will he be endeavouring, as a principle, to prevent any shifts from one classification to another? Is that one of the principles that he has approved?

**Mr. Penner:** The legislation that we are considering is probably one of the most significant pieces of legislation that this Legislature or any other future Legislature, at least in the near future, will consider.

It is legislation that has been in place since the early 1920s and has been revised periodically from time to time as the need went on. However, this, as the Honourable Member would appreciate, is significant legislation. I will not be, by the opposition Members, pressured into rushing into this kind of legislation without making due considerations on all aspects of the legislation. Therefore I reserve the right to bring in the legislation when we are ready. I have indicated that on numerous occasions that is what is going to happen, whether it is the time line indicated in the Estimates document or not.

As far as the second question that he asked, there is nothing yet that has caused me or my colleagues to dodge off course on this one in regard to scheduling, and I think we are on schedule. I go back to the question—I indicated before that it leads me to be somewhat skeptical. The comment that the Honourable Member made before leads me to be somewhat skeptical as to whether they in fact would have had the capacity to bring forward the legislation on their time schedule.

The computer equipment that was required was not in place and needed to be put in place. The computer programming, the training, all had to happen before any significant assessments of impacts could be done. It was only in May of this year that the training started of the staff, that we had enough of the computer equipment in place that we could even start that. It was later on in the summer that we, in the final analysis, had the MAC System in place.

\* (1540)

I could say to the Honourable Member that part of the program is working well and I am encouraged by

the information that we can generate out of the MAC System, and I am quite pleased, in general, the way it is functioning.

I believe that the answers the Honourable Member is seeking during this process of Estimates debate is something that we should be considering during debate of the actual legislation, maybe either in these Chambers or maybe during committee debates. I believe sincerely, Mr. Chairman, that he is seeking information that is simply not available yet.

**Mr. Plohman:** That is an understatement. It is quite obvious that information is not available because the Minister is not providing it. He is not providing it intentionally, I believe, because he feels that somehow that information in the hands of the Opposition will be harmful to him. I cannot think of any other reason why he would not want to discuss it. That is not why I am asking. I am asking this because I believe it is an urgent issue that the municipalities want dealt with. He said that they urgently wanted us to deal with the issue of off-reserve property in taxation status. This is also very important. Yes, it has been ongoing for some time.

I would just ask the Minister then—and before I pose the question, that the timetable the staff had given the Minister in 1988 may have been optimistic. There were many times that this was contemplated, in terms of when this could happen. As they got into it they found it was more and more complex and this equipment was being purchased over the years.

I think the Deputy Minister can affirm that over the years there were efforts being made to update the assessment and to automate it. When that actually happened and how long would they have built in a training phase in there was not something that I am aware of or not. I know that the proposal that was put forward in the fall of 1988 may not have been met. That is not the issue. The Minister goes back and says he is skeptical and so on. That is not the issue.

What I want to know is, he says we are on schedule at the present time, he has nothing to make him believe that he is off schedule. Then what is his schedule? Is he intending, as the book says or was this somewhat erroneous, to have it implemented for the 1990 tax year? Is that a mistake in this information? If it is a mistake, fine, just say it is. It should not have been in there.

**Mr. Penner:** Well, Mr. Chairman, the Honourable Member knows full well that plans must be made whether you are in industry or whether you are in Government. I believe that there must be targets set and goals set and so has our department staff got goals and targets. However, he also recognizes full well that sometimes there are things that get us off track for awhile such as lengthy debates during the Estimates process and/or other things that throw our time schedules way off.

So I want to say to you, Mr. Chairman, the indications that were put into the Estimates that we presented to the opposition Members, at the time of the writing of these, there was every belief that those were attainable

targets. However, there have been numerous things that have happened over the past while, both in this Chamber and outside, that leads one to wonder whether we in fact are going to be able to meet these time lines or not. I would suggest that if the Honourable Member for Dauphin (Mr. Plohman) is as concerned about meeting that date, as he is that we get out of here, then let us get back to work again so we can make sure that we have everything in place that needs to be in place that we can bring the legislation forward.

**Mr. Plohman:** Let not this Minister belittle this process, this is back to work. As a matter of fact, probably the most important work that he does is to be responsive to the Members of the Legislature because that is ultimately the body that approves or disapproves of these various Estimates and budgets, and so on. He knows that, so he should not belittle that process.

His statement says, let us get back to work type of thing, as if we are harassing him and bothering him here. He has had a very short period in these Estimates, relatively so. He should have more experience in here and know that sometimes Estimates have gone on for quite a lengthy period in various departments. This is not a long time up to this point, and the questions we are posing right now are legitimate questions.

He does not know what is going on or he does not have a handle on it or he is not on top of it, he does not have a timetable. Let him say it, but he is revealing that. The way he beats around the bush with his answers, he is not giving straight answers and it leads us to believe that he does not know what is going on. He does not even know if he has a timetable or not. I know the department has a timetable. They know where they want to go with this thing. They have had many years to work on it. But does the Minister know where he wants to go? Does he have a timetable? Has he made those decisions or has he not?

That is all we have asked him, and what we have found out today is that the Minister does not know what his goals are, his timetable, or anything else. He does not know what he is trying to accomplish here or if he is trying to accomplish anything. That is unfortunate because that is the responsibility of this Minister. I can only hope in leaving this issue that he will get his act together and will set some timetables and goals, so that he can answer straightforwardly to this House as to where he is going.

**Mr. Penner:** In response to the question as to whether we do have timetables, yes, we do. Very specific timetables. Whether you are always able to meet those timetables is questionable and has been on numerous occasions. I think the Honourable Member knows well, whether it is in his business affairs or other, that you cannot always meet the timetable that you set out for yourself. You certainly do have timetables.

We also have goals and one of those goals is to assure Manitobans that when we bring forward the legislation that we are contemplating that it will be brought forward in such a manner that we are as far as is humanly possible assured that it will be the kind of legislation that Manitobans have been looking

forward to for a long, long time. Regardless of what the Honourable Member for Dauphin (Mr. Plohman) tries to imply that is my responsibility. That is the main responsibility.

The second responsibility is to answer the kind of question that he is asking to this Chamber to the best of my ability. I have attempted to do that. It is also important for the Honourable Member to recognize that important legislation such as this which will have impacts on Manitobans needs the kind of consideration that this Government has been giving it. Therefore, I do not apologize for not having introduced the legislation yet.

I say to you again, Mr. Chairman, that when the time is ready, the Honourable Member will be satisfied that it is the kind of legislation that will serve Manitobans best.

\* (1550)

**Mr. Roch:** Mr. Chairman, I do not think that the Minister can assume that everyone will be satisfied with what will be proposed if he is unsure of what he wants to propose himself.

While we are on the topic of assessment reform, given the fact that he does not like to answer specific questions, maybe the Minister can tell us in a general way then at what stage the whole area, not referring to any specific Bills here or any specific legislation, but the area of current value assessment, could he give us an idea of how soon it could be implemented?

**Mr. Penner:** Mr. Chairman, that question is fairly easy to answer. We have the capacity now within the department to determine and assess the market values. We have the capacity now to store all the data and do the calculations of what the impacts would be to the various sectors in Manitoba and the impacts to the various communities.

I am quite satisfied that that part of the assessment reform program is in place and working well. So if that is the question that he is asking, I am quite satisfied that we are well along in that part of the program. However, there are two parts to the MACS. One is the storage of information on the land base, and the other one is the storage of information on the building part. The department has said all along that it is a two-phase system that we are working on. We are now at the stage where the first stage and the goals of the first stage have been met.

**Mr. Roch:** If I understood you correctly you mention that you were at the stage or the phase where the goals have been met. Do I understand that correctly? Okay well then I ask again, how soon, I am not asking for specific date, but a general ball-park figure, of how soon can we see the implementation of current value assessment in Manitoba?

**Mr. Penner:** Well that is like asking what am I going to get for Christmas, Mr. Chairman. I will stand here and say time and time again, when the legislation is ready and it will be introduced in this House then the Honourable Member will see what is in it. Then he will

also know what the package contains. Until that time, he will have to wait the same as the rest of us will have to wait.

**Mr. Roch:** Mr. Chairman, it is just obvious that the Minister just absolutely refuses to answer questions. If you ask him his position on certain Bills, or where he stands, whether he is for or against, we ask him at what stage a certain assessment program is at, if you ask him what the direction he was on, he just absolutely refuses to answer any questions.

I mean this is the very reason why we are here and unlike his comment a while ago about going back to work to wind this up, this is part of his work. The whole Estimates process is part of the fundamental democratic process, yet he refuses to respect that. He refuses to answer questions and I do not know why. It gets very frustrating after awhile, and I realize that maybe some of his other colleagues may be hoping that we go on for a long time in some of these departments so they do not have to face questioning in their own departments. However, that will not happen because there are other ways of asking questions after the Estimates process is over.

So if the Minister wants to stay in this department for several more weeks, then he can keep on stalling and not giving answers and we will be here several more weeks. But again, I ask the Minister, I will try one more time, can we get any indication if it is going to be in 1990, 1991, prior to that—

**An Honourable Member:** In our lifetime?

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

**Mr. Roch:** In our lifetime, as my colleague says, that the municipalities will be able to implement the current value assessment type of taxation.

**Mr. Penner:** Welcome to the new Chairman. I am not quite sure whether the Honourable Member understands the Estimates process as I understand it or whether I am somewhere off on third base on the process in the Estimates. I understand that it is the responsibility of the Minister to answer questions on the department's operation during the Estimates debate.

It is, however, somewhat questionable as to whether the Honourable Members, the critics, want to go out on a fishing expedition because if they are, they are simply not fishing in the same stream that I am fishing in. I have no intention to introduce legislation on their agenda. I will introduce it on my agenda. I have no intention of indicating to the Honourable Members what that agenda is. That is questionable.

We all know, Mr. Acting Chairman, what day Christmas is in a year. However, the agenda for the introduction of legislation such as this and the development of this legislation is the Government's agenda, and that Government will bring the legislation forward when it is ready to bring it forward.

**Mr. Roch:** Let me remind the Minister that this Government is in the minority position and regardless

of how much he would like to proceed on his agenda he will have to share that agenda with the opposition Parties, otherwise his agenda may not be carried through. Let me be very clear on that. But there is obviously no point in pursuing this matter because, as in the past, this Minister is either not willing, unable to answer, one or the other.

In another, still an assessment, Mr. Acting Chairman, The Municipal Assessment Act provides for the exemption of certain farm buildings from property taxation, where those building are situated on four or more acres of land and are used for the purpose of grain growing, raising, or keeping farm stock, growing nursery stock or market gardening. I am quoting here from a form letter which routinely is, I would assume, sent out to various residents.

One of those sections which particularly disturbed some people out there, when I say people I am referring specifically to active farmers, he says, "We are currently updating our records in this regard so if you, as owner, tenant or lessee consider yourself not liable to taxation on your dwelling, a net income statement will be required as verification." Later on down in this form letter it says: "If no reply providing grounds for exemption is received in this office within 30 days, we will assume that the dwelling is subject to taxation."

Now my question to the Minister is—and of course he attached with that a list of criteria which a person must meet in order to qualify as a full-time farmer.

Mr. Acting Chairman, we realize in this day and age with declining farm incomes more and more farmers who would like to be 100 percent full-time farmers are fortunate to seek off-farm income. Sometimes, through no choice of theirs, that off-farm income may be greater than the on-farm income.

In this specific case, this particular gentleman has been in farming all of his life. It is on record, and then all of a sudden he gets this letter. He feels there is certain confidential information being required of him similar to that of Revenue Canada which he is not sure that he should be providing. He has farmed all his life, is farming, and intends to continue farming. Is it the policy of this department, of this Government, of this Minister, to routinely every now and then, under the guise of updating records, try to demand this kind of confidential information?

\* (1600)

**Mr. Penner:** Mr. Acting Chairman, the Honourable Member I believe knows full well that all dwellings in this province are subject to taxation, unless they are of course exempted by the agricultural exemption extended to most dwellings in agriculture in Manitoba. He also knows full well that part of the legislation indicates clearly that if and when the request is made to demonstrate their income that information is required to be brought forward.

I think that is what the Honourable Member is referring to as to whether the people that are in question, as to whether their incomes are higher off-farm or on-farm, need to in fact bring forward that

information, are required to bring forward that as he calls confidential information. Yes, they are, under the law. If the department requires or asks a person to prove income, they must do so under the course of the law.

**Mr. Roch:** If I understand the Minister correctly, even though you have been farming all your life the department decides all of a sudden—just say we want to see if you are a full-time farmer and we stop him on his combine in the field and ask him to prove that he is a farmer, you are saying then, if I understand your reply correctly, that he must under a threat of losing the tax exemption on his property for failing to comply even though he has is and intends to continue to be a full-time farmer.

**Mr. Penner:** I am not sure whether the Honourable Member is actually indicating to this committee that people have actually been stopped on their combines by our staff or by revenue staff saying we want now today your information which requires you to demonstrate your income, whether it is greater on-farm or greater off-farm. I have never experienced that nor have I ever heard my staff indicate that is what they do. I want to say however, when the information is requested, I believe there is a period of grace given to those people to demonstrate their income. I think there is reason to believe that it is done with the utmost discretion. It is also done with the utmost confidentiality and that information that is provided by individuals, whose income has been questioned, is kept in the strictest confidence.

**Mr. Roch:** Mr. Acting Chairman, obviously I was using a facetious example because you will see under the law they have that right, and I would hope at least they would not do that. I do not think they would. I do not want to belabour the issue too long but I guess what is calling to some people out there is the fact that they receive letters, form letters at that, with their name filled in the appropriate space, asking them to prove they are indeed a full-time farmer when they have always been.

Mr. Acting Chairman, I think that the issue here is again confidentiality, as far as I am concerned. Information is only as confidential as to the number of people it goes through, and the more people who have the information the more of an opportunity there is for it to leak out whether intentionally or not. That is not so much the issue here as the fact that in a free and democratic society, especially in small towns and villages where people know everyone, and the person has been farming all their life, is still farming and is not trying to hide anything, they feel rather insulted by the whole process.

That is the law and the rules. I suppose it is the law and the rules, and they must abide by them or be penalized for farming by having the taxes, to which they are otherwise entitled to be exempted from, imposed upon them.

While I am on the issue of farm land assessment, it has become somewhat of a controversial item in some

recent years because it is the belief of many farmers and others, for that matter, that farm land, which is actively being farmed—when I say actively being farmed, I mean specifically it is not sitting idle, it is not just waiting for development—that it should be assessed by use rather than by location.

I think that the Minister, being a farmer himself and a former president of a farm organization, is familiar with the issue somewhat. I believe that the case exists in some other parts of Canada and/or the United States where assessment is by use rather than by location. Does the Minister agree that farm land should be assessed in this manner and if so, if he does agree and I am assuming from his nod that he does agree, what is being done to implement such a system?

What I am getting at, Mr. Acting Chairman, is that, for example, if you have a piece of land which is being farmed and it happens to be by the City of Winnipeg, within the Perimeter, I would say, or by the floodway, whatever the case may be, another piece of land may be a couple hundred miles from Winnipeg, but they are assessed at different values because of their location as opposed to their use. It is felt by some people, especially with the current prices on the farm, that this is a most unfair situation and it should be rectified. It seems that all Governments are sympathetic to the plight of the farmer, but this is one area I believe that could be used to provide some form of relief, assessment by use rather than by location.

**Mr. Penner:** It is, Mr. Acting Chairman, a concern that has been expressed many times in this province by users, by farmers, by other areas, farm organizations. I have expressed many times the concern as to how land is assessed, whether it is specifically and especially in close proximities to larger urban centres, and those farmers who are serious about farming and want to continue doing so have on many occasions expressed their concerns about their land values being assessed at too high a level. That is well-known, and specifically I think within the City of Winnipeg there is some farm land which has been at times, when reassessments did take place, assessed at fairly high levels which is probably due to the marketability of that land for other uses than for agriculture. Those concerns I think need to be addressed at some point in time, Mr. Acting Chairman.

I think Weir, in his report, identified that as one of the issues that needed consideration. Consideration is given and will be given to that whole area. It is a difficult one and how exactly to apply a value to and/or also use some other criteria to identify the taxability of that property is a difficult one. I have heard farm organizations debate for many hours exactly what kind of recommendations should go to Government in order to be able to indicate clearly to them, when I say them I mean Government, how they should resolve that issue.

\* (1610)

It was a difficult one for us when I was the head of the farm organization in the province. I believe it is still a difficult question for that same farm organization. I have looked forward to recommendations to come

forward from the farm community, specifically how to deal with that very question. That has not happened although there are numerous suggestions that have come. We have not heard yet exactly how to implement such a system of valuation, if you may, for assessment purposes.

(The Chairman in the Chair)

I say to the Honourable Member for Springfield (Mr. Roch) that if he has any specific ideas or suggestions to make, I would certainly be willing to sit down with him as well as any other Member of this Assembly or people from outside. If they have specific recommendations to make I would like to hear them, because it is I think in the best interest of all of us to be able to deal at some point in time with that issue.

**Mr. Roch:** Mr. Chairman, as the Minister has pointed out, he is waiting to hear from the farm organizations, one of them of which he used to be the president of, and there is no doubt that their input will be needed.

What I asked specifically is if there was anything being done to analyze, to gather information, to find out, to see if there was any way that this type of assessment location could be done. Rather than ask me whether I have any specific suggestions, when I come from my non-farm background, I would think it far more appropriate that he does, as he indicated and the department appears to be doing, get information from the farmers themselves, as the Minister has agreed with me that it certainly is a hardship if you happen, through no fault of your own, to be located by a large urban centre and are a subject of far higher taxation rates because of the potential marketability of that land should it become non-farm.

There are ways to address that. Maybe one suggestion that I could give, again stressing my limited experience on the farm, is to look at what is happening in other jurisdictions where active farmers are taxed at a lower rate as long as they are actively farming the land. If and when it is sold to a developer for example, or if indeed they become developers themselves, then there is a retroactive type of assessment process where they are then assessed at the current value of market. That is simply a suggestion.

I guess basically what I am trying to get at is that maybe as part of the overall assessment reform package, this is one area that should be looked at and somehow, some ways and means of implementing such a system. I realize that it will not be perfect and I realize that the exact way it should be done will always be a subject of dispute. I suppose if prices for farm products were better, this would not even be an issue, but hopefully something can be done, and hopefully there is something being done and worked on at this stage.

**Mr. Penner:** Well certainly, Mr. Chairman, our department has been looking at various aspects of dealing with a very difficult situation. We have looked at the Pennsylvania model which uses some form of value of production to base the value of agricultural land. Wisconsin has another method, Minnesota has one, Michigan uses another form of trying to determine

what the value of agricultural land within close proximity of urban centres is and should be. There are various ways that other jurisdictions have used to try and ameliorate the impacts of the high value of land, not due to agriculture but other activities in the given area.

So I say to the Honourable Member, it is not easy to come to a conclusion as to what would be the right method to use in Manitoba and if you in fact would want to use some productive capacity to indicate the value of assessable land, there would also have to be a fairly intense gathering of productive data and information over a period of time that would allow you to average some of those income values due to agricultural activities. There are some possibilities there.

There are also some jurisdictions that have used a deferral of taxation if and when the land is sold for something other than agricultural purposes. There have been arrangements struck and agreements made. There are also some jurisdictions that have struck agreements with individuals that would indicate clearly their intention to farm for a period of time. So there are all kinds of considerations that we could make and there are methods that have been used, although we have not been able to ensure ourselves that it would be whether any one of these or some other method would be the most suitable one for Manitoba.

**Mr. Chairman:** Item 4.(a)—pass; item 4.(b)—pass.

Resolution No. 126: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,541,700 for Rural Development, Municipal Assessments, for the fiscal year ending the 31st day of March, 1990—pass.

Item 5.(a)—the Honourable Member for Springfield.

**Mr. Roch:** Mr. Chairman, I note from the Minister's opening remarks that the computerization is now a reality in some parts of the province. Two of those places are the Municipality of Portage la Prairie and the Rural Municipality of Cartier. I would take it from the opening remarks that at least part of the objectives and expected results are being met. I see in those same remarks that the Minister said the MAC System, Phase 1 is now operational and that Phase 2 should be operational by 1993. The quote was that Phase 2 will do for buildings what Phase 1 did for land.

\* (1620)

I also see on page 48, under Expected Results, that the department "will be prepared to support the assessment process on a 50/50 provincial/municipal cost-sharing formula." Is the MAC System currently on 50/50 cost-shared formula or is it still being 75 percent funded by municipalities?

**Mr. Penner:** Before we proceed any further I would like to introduce at this time Marie Elliott, who is the Director of Systems Research for our department, and I want to also at this time thank Bob Brown, the Provincial Assessor for having assisted through the Assessment Estimates process.

Yes, the MAC System, the cost of the MAC System is being shared currently 50-50 with municipalities.

**Mr. Roch:** I notice that total expenditures have increased by \$2 million. Can a more detailed breakdown than that provided in the Supplementary Estimates be given to us, either now verbally or if, in order to save time, tabled in writing?

**Mr. Penner:** The increase, Mr. Chairman, is primarily due to the ongoing operations of the MAC System.

**Mr. Roch:** Do you expect any further substantial costs because of the ongoing MAC System, or is this just a one-time setup, or start-up cost for the system?

**Mr. Penner:** Mr. Chairman, there certainly are some one-time costs incurred when a new system is being put in place, such as the purchase of equipment and the changing of some of the physical surroundings that have to accommodate the equipment, also the training of staff people and those kind of things. Again, there will be some ongoing costs incurred with this computer system that we did not incur before. However, some of the abnormal increases that we have seen over this year might in fact show up another year but I would expect then that it would level off into an operational mode and therefore the costs should be fairly consistent from then on.

**Mr. Roch:** So if I understand correctly, once all of the fees have been implemented, as you have termed it, the abnormally high costs should level off back to the normal, given inflation of course, normal rate. That amount then, it does not take into account the 50-50 cost-shared formula which will show up as a separate item in the budget.

**Mr. Penner:** Yes, Mr. Chairman, even the outset costs are shared 50-50 by municipalities and the ongoing operational will also be cost shared 50-50 by municipalities. That is part of the agreement with the municipalities.

**Mr. Roch:** I guess what I am asking is, because it went from a 75 fund by the municipalities to a 50-50 by the province and the municipalities, is that extra cost to the province shown up in this particular figure, or is that in a separate figure? I am not quite clear on that.

**Mr. Penner:** The figures that you see here, on the expenditure side, are the total cost figures incurred by the department, and you will see on the revenue side, at some date, and I am not sure whether they actually show up there this year, but they should show up, which will indicate the municipal share actually being accrued there. So these numbers that you see here are the total costs incurred of the implementation of the MAC System and the installation of the MAC System for this year.

**Mr. Chairman:** Item 5.(a)(1)—pass; (a)(2)—pass; (b)(1)—pass; (b)(2)—pass.

Resolution No. 127: BE IT RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,356,900 for Rural Development, Research and Systems Services for the fiscal year ending the 31st day of March, 1990—pass.

Item 6.(a) Municipal Planning Services—the Honourable Member for Springfield.

**Mr. Roch:** Mr. Chairman, I suppose several questions could be asked in this area which have already been asked under the area of Municipal Board but in order to conserve time, rather than rehash a whole situation, I would just like to stress once again the need, the absolutely necessary need out there for clear policy direction as to what land use can be done.

I realize we had quite a debate under Municipal Board, I believe it was that section, earlier on in the Estimates. There is a need for concrete policies out there so that people wishing to locate in rural Manitoba because of the increasing lack of agricultural opportunities for rural life, there has to be non-farm activities out there. We need clear specific policies in the area of rural, commercial, industrial and residential development and, rather than belabour the point, I would just like to re-emphasize and stress what I had discussed and suggested and questioned the Minister early on in these Estimates. Having said that, in the interest of time I am willing to pass this section.

**Mr. Chairman:** Resolution No. 128: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,980,800 for Rural Development, Municipal Planning Services for the fiscal year ending the 31st day of March, 1990—pass.

Item 7.(a)—the Honourable Member for Springfield.

**Mr. Roch:** Mr. Chairman, a few areas here which I would like to ask. I notice in the objectives it says, part of it anyways, to administer the subdivision approval process to ensure provincial land use policies and municipal development plans are equitably implemented.

Under Activity Identification it says that provincial planning represents provincial interest before municipal board and other public hearings to substantiate provincial positions. Under Expected Results it says that the Provincial Land Use Committee and IPB systems will continue as useful agencies for establishing policy and resolving resource conflicts.

Also it goes on to say, the Provincial Land Use policy will undergo a major review. The subdivision process will run smoothly and expected time lines will be met. Could the Minister clarify as to what those time lines are?

**Mr. Penner:** I had indicated to staff that we wanted to review both the planning process as well as the Provincial Land Use policies. They will, as the Honourable Member has indicated, undergo a major review.

I have indicated to municipal organizations that I would seek their input into this review. I have listened with interest to some of the things that the Honourable Member for Springfield has said about his concerns in land use and planning in his riding as well as other areas of Manitoba.

\* (1630)

I would be interested in hearing further concerns or suggestions that he might have, even outside of this Chamber. If he has any to bring forward we would certainly be interested in hearing them.

I would indicate to the Honourable Member that I believe that we can accomplish the subdivisional process, and hopefully that we can meet our time lines that we have set for ourselves. Although I do so hesitatingly, I would indicate to him that the time lines that we have set for ourselves, recognizing again the difficulties one runs into at times in meeting those time lines because of unforeseen circumstances, I believe that within a three-month period we should be able to be at a point where we can bring forward those proposed changes to the subdivisional process as well as some other areas.

**Mr. Roch:** So if I understand correctly, he said to me he expects to have those time lines met within a three-month period, or I should say, the time lines which have been set are more or less within three months.

It just says here that the provincial land use policies will undergo a major review. Is that review under way now? It is under way now. Okay.

**Mr. Penner:** We have, Mr. Chairman, indicated to staff that we wanted to review the land use policies, and that is internally currently under way.

When the recommendations will of course be brought before the Provincial Land Use Committee, the Ministers will have an input into them.

I hope that time will allow us to be able to bring before municipal organizations their concerns and let them voice their concerns on our provincial land use policies before any revisions are made.

**Mr. Plohman:** Mr. Chairman, I just want to ask the Minister if he can provide us with a list of the major projects that are being reviewed at the present time by the Provincial Planning Branch?

The third objective indicates, to assist in the planning and review of major projects to ensure provincial resources are managed properly, on 7.(a) in the Supplementary Estimates.

**Mr. Penner:** During the planning stages of either industries or major revisions such as—probably even Repap I could identify as one of them—that the Provincial Planning Department does become involved in site selection and spelling out of criteria in those areas. There are a number of projects that Planning has been involved in the past and will be involved in the future.

**Mr. Plohman:** Mr. Chairman, with all due respect to the Minister he has a habit of answering questions without providing the details, and it may be a very good asset for him in some areas of his political life, but it certainly is not a good one in here. I just asked him, what is the list of the major projects that are currently being reviewed by the planning branch?

**Mr. Penner:** I can give the Honourable Member a list of the projects that have been reviewed in the immediate

past, but I certainly would be hesitant to give the Member a list of projects that are in the negotiation stages or anything like that for fear of jeopardizing our position in some of these areas.

**Mr. Plohman:** The Minister mentioned Repap as one major project. Are there any major projects that are being reviewed by the planning branch, under IPB and PLUC and so on, for the Department of Highways at the present time?

**Mr. Penner:** Mr. Chairman, I think I would be at liberty to identify another one that was, in the immediate past, something that the planning branch was involved in. That was of course the Dow Corning plant that is being contemplated in the province. The planning branch will be involved in those kinds of projects on an ongoing basis to ensure that the industry, or major projects would be a better term to use, conform with the will of the province and the areas that are being considered. Those are two of them that have had some involvement in the immediate past.

**Mr. Plohman:** I do not have to stand up and get these one at a time. Perhaps the Minister can give a few more, by a list or whatever.

For example is there any major review being done for Manitoba Hydro at the present time on Conawapa, Burntwood, or any other major developments that may take place in the future there? Is the IPB PLUC process involved with those developments for Hydro, and can the Minister provide us with a list of other major projects that are currently under review, without the detail of course, and without jeopardizing negotiations?

That obviously is not what I am asking for, but I believe that he could provide us with a list of projects that are under review that generally are public information in terms of their potential happening. It is not a secret that there are ongoing negotiations with Ontario Hydro for example for a sale that may result in a transmission line requirement or a dam requirement. I am asking whether those projects are under review at the present time by the planning branch or the IPB and PLUC process?

**Mr. Penner:** I want to say that I am sorry, Mr. Chairman, that I have not got a list of projects available at my fingertips right here that I could table with you. We have no qualms at all about providing that information to the Honourable Member for Dauphin.

**Mr. Plohman:** If the Minister could provide that as quickly as possible we would appreciate it. I am basically referring to the terminology in the Supplementary Estimates which talks about major projects, whatever the criteria for that word is. Use that as the guides if you would for the list.

**Mr. Chairman:** Shall item 7.(a) pass—pass.

Item 7.(b)—the Honourable Member for Dauphin.

**Mr. Plohman:** Mr. Chairman, I wanted to just ask about the current status of integration of land and water policy

planning. Is PLUC going to handle the water policies as well or is this being projected to be handled under some other mechanism?

**Mr. Penner:** Mr. Chairman, I hope it will be the final draft of the water policies that came before PLUC just a week ago, and at least the initial drafts with the company documentation that we had promised them during the public process that we would forward should be public within a very short period of time. Without specifically saying, I believe within a couple of weeks after that, it should be public information.

**Mr. Plohman:** Just one last question on that issue. Does this Minister believe the water policies that are being developed will be developed jointly with the review of the land policies? I understand it is a major review of these policies as well as one of the objectives or the outcomes, and that there will be an integration of these policies as a result, is that the goal?

**Mr. Penner:** No, Mr. Chairman. It is not the intent of this Government to come forward with an integrated land and water policy. It is the intent of this Government to come forward with land and water policies. That has been the process in the development of these. As you know we did a series of public hearings which initially talked about a land and water strategy at those meetings. At the public review process, we brought forward both land and water policies for public input. That has happened. Both of the land and water policies are nearing completion that we can at least take them out to the public for public review again.

\* (1640)

**Mr. Plohman:** I thank the Minister for that information. My point was that very often what is done with the land has a major impact on the water, obviously, on waterways and on lakes and so on in the province. We can see examples of that in, for example, Lake Dauphin and what has happened with that lake in deterioration and many others in the province.

The reason I ask that is whether in fact it will be complementary, and that is where the integration comes in. There is a consideration of the impact on water, and therefore there is a certain degree of integration in these policies. That does take co-ordination and it does take review, and my question was really directed at whether the same people are working on this policy so there is an integration, always a consideration of what the impact of changes in one area as to what it will have on the other.

**Mr. Penner:** It was the same interdepartmental committee that worked on both the water and the land policies. There has been a very close integration of efforts on the development of those policies. Although agriculture had somewhat more of an input into probably the land than they did in the water.

Basically, it was in a large part a very co-ordinated co-operative effort throughout the departments in bringing forward their views on the matter. The public was very co-operative in voicing their opinions as to what the land and water policies should look like.

I should say it proved again my view that the public, if given the proper opportunity, would do a tremendous job in identifying what Government policies should look like and in that way directing Government action.

It was an extremely gratifying experience to go out in public, first of all, to introduce the land and water policies; and then secondly, to do the public hearings out there and gather all the information that had been put together by various community groups, farm organizations, native organizations and others that had done a tremendous amount of work and made a tremendous effort to make their views known to the committee that travel this province and therefore I think, once the land and water policy will be put forward, there will be such policies that in general the public will readily accept and adopt.

**Mr. Chairman:** Item 7.(b)—pass.

Resolution No. 129: RESOLVED that there be granted to Her Majesty a sum not exceeding \$467,200 for Rural Development, Provincial Planning for the fiscal year ending the 31st day of March, 1990—pass.

Item No. 8. Surface Rights Board—the Honourable Member for Transcona.

**Mr. Richard Kozak (Transcona):** Mr. Chairman, I have to express some satisfaction at the outset that the provincial Government has taken, over the years, the initiative to assist in the adjudication of problems which arise between operators, that is, oil companies or their agents and landowners or occupants in matters relating to surface rights.

Administrative tribunals or, as the Estimates describe them, quasi-judicial boards have a very real role to play in our province and elsewhere in Canada in resolving disputes that should arise that can be handled through some simple intervention by an impartial board appointed by a province or a federal Government. However, I do have a concern in this area, Mr. Chairman, and I would like to suggest to the Minister that my concern is a very serious concern. It relates to a decision of the Canadian Human Rights Commission which makes it amply clear and abundantly clear that by their very nature administrative boards must have their decision subject to an appeal process. I would like to ask the Minister of Rural Development (Mr. Penner) what appeal process is available to applicants to the Surface Rights Board should they be dissatisfied with the board's decision?

**Mr. Penner:** Mr. Chairman, it is my understanding that the appeal process available to individuals after they have appeared before the Surface Rights Board would be to the courts, and there is no other appeal mechanism that I am aware of.

**Mr. Kozak:** I wonder if the Minister could advise Members of the committee whether any applicants to the board historically have taken advantage of this appeal process.

**Mr. Penner:** Yes, they have.

**Mr. Kozak:** The Minister's answer is quite satisfactory and in fact suggests to me that his department and

specifically the Surface Rights Board inform applicants to the board that they have a right to appeal should they be dissatisfied with the board's decision. Am I correct in assuming that applicants to the board are routinely informed, should they be dissatisfied, they do have a right to appeal?

**Mr. Penner:** Mr. Chairman, it is my understanding that the routine the Member references is not the case. It would be my understanding that the individuals requiring further satisfaction would seek that through legal counsel, but it is not provided as a routine matter after their case has been denied before the board.

**Mr. Kozak:** Mr. Chairman, I have to say I am not entirely disappointed with the Minister's answers to date in response to my present series of questions. I would just suggest to the Minister, and this is a suggestion that comes from collegial good will, shall we say, in that we all wish to have the administration of this province proceed in an efficient as well as fair manner.

I would suggest to the Minister that given the fact that judicial appeal, appeal to any judicial body, is always, always subject to time limits that conceivably interveners before the Surface Rights Board might not be aware of, that it would be desirable in terms of the smooth and fair functioning of the Surface Rights Board to routinely inform interveners before the board that they have the right to an appeal procedure contingent on their filing an appeal within a certain time limit.

\* (1650)

**Mr. Penner:** I am not quite sure, Mr. Chairman, what the Honourable Member is referring to, as to whether he is indicating to me that we should instruct the board at the end of every hearing, say to those people who appear before those boards on a routine basis, indicate to them that they do have recourse through the courts, or through some legal counsel that they might choose.

I want to indicate to the Honourable Member that the responsibilities of the board are basically to hold sittings from time to time, which will take place wherever deemed to be expedient, to enter upon and inspect or authorize any member of the board or a person to enter upon and inspect any place, such as buildings, works, and other property, directly or indirectly, involved in any matter before the board, and to appoint or direct, to inquire into and report upon any matter before the board. The members, of course, as you know, are not full-time members, and are in most part not lawyers, although there might be times when a member of the board might be a legal person or a person with a legal background. However, if you are indicating that we should tell the board or instruct the board that they should routinely tell people that their only course of action, or that their course of next action, if they are not satisfied with the judgment passed, would be through the courts.

I can say to the Honourable Member that I am quite willing to discuss that with our legal counsel and with our department as to whether that procedure might in fact be recommended.

**Mr. Kozak:** Mr. Chairman, I feel that the remarks exchanged between the Minister and myself just now have been very helpful and have served the cause of fair justice in Manitoba. I am quite prepared to discontinue these remarks and to leave the matter in his hands at present.

**Mr. Chairman:** 8.(a)—pass; 8.(b)—pass. The Honourable Member for Seven Oaks.

**Mr. Mark Minenko (Seven Oaks):** Mr. Chairman, perhaps just as a follow-up, would the Minister undertake to provide us with a copy of the advice that he receives from whoever he might be seeking guidance with respect to the last point that he undertook?

**Mr. Penner:** Certainly, Mr. Chairman, I have no difficulty with passing on the advice of legal counsel that we have asked.

**Mr. Kozak:** Mr. Chairman, the Minister is being fully forthcoming on this point.

**Mr. Chairman:** Resolution No. 130: RESOLVED that there be granted to Her Majesty a sum not exceeding \$127,600 for Rural Development, Surface Rights Board, for the fiscal year ending the 31st day of March, 1990—pass.

Item 9.(a) Manitoba Water Services Board—the Honourable Member for Springfield.

**Mr. Roch:** Mr. Chairman, I believe that both the Member for Dauphin (Mr. Plohman) and myself and possibly other Members have several questions in this area, given the fact that there is less than one minute till five o'clock, possibly we should wait until Monday before getting into this section.

**Mr. Plohman:** The Minister of Northern Affairs (Mr. Downey) says ask them. We have some very serious issues to raise with the Minister under this here area. We would have to cover the ground again after going for 30 seconds or so today. We would barely get one question or one portion of a question in and then have to recover that ground again on Monday when we next sit, so it makes eminent good sense to wait till Monday and begin this area at that particular time when the Minister will have had an opportunity to ready himself for the onslaught.

\* (1700)

**Mr. Chairman:** The hour being 5 p.m., it is time for Private Members' Hour. Committee rise. Call in the Speaker.

## IN SESSION COMMITTEE REPORT

**Mr. William Chornopsky (Chairman of Committees):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again. I move, seconded by the

Honourable Member for Springfield (Mr. Roch), that the report of the committee be received.

**MOTION presented and carried.**

### **PRIVATE MEMBERS' BUSINESS**

**Mr. Speaker:** The hour being 5 p.m., it is time for Private Members' Business.

#### **DEBATE ON SECOND READINGS PUBLIC BILLS**

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

**Mr. Speaker:** On the proposed motion of the Honourable Member for Inkster (Mr. Lamoureux), Bill No. 2, The Landlord and Tenant Amendment Act; Loi modifiant la Loi sur le louage d'immeubles, standing in the name of the Honourable Minister of Natural Resources (Mr. Enns). Stand? Is there leave that this matter remain standing? (Agreed)

##### **BILL NO. 4—THE HIGHWAY TRAFFIC AMENDMENT ACT (2)**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Assiniboia (Mr. Mandrake), Bill No. 4, The Highway Traffic Amendment Act (2); Loi no 2 modifiant le Code de la route, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand? Is there leave that this matter remain standing in the name of the Honourable Minister of Health? (Agreed)

##### **BILL NO. 10—THE BEVERAGE CONTAINER ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Springfield (Mr. Roch), Bill No. 10, The Beverage Container Act; Loi sur les contenants de boissons, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand? Is there leave that this matter remain standing in the name of the Honourable Minister of Health? (Agreed)

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

**Mr. Speaker:** On the proposed motion of the Honourable Member for Selkirk (Mrs. Charles), Bill No. 13, The Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, and the motion of the Honourable Member for Thompson (Mr. Ashton), that the question be now put, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand? Is there leave that this matter remain standing? (Agreed)

##### **BILL NO.17—THE EMPLOYMENT STANDARDS AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Thompson (Mr. Ashton), 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 Inkster (Mr. Lamoureux). Stand? Is there leave that this matter remain standing? (Agreed)

##### **BILL NO.20—THE MUNICIPAL ASSESSMENT AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Sturgeon Creek (Mrs. Yeo), Bill No. 20, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Minister of Highways and Transportation (Mr. Albert Driedger). Stand? Is there leave that this matter remain standing? (Agreed)

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

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 21, The Unfair Business Practices Act; Loi sur les pratiques commerciales déloyales, standing in the name of the Honourable Minister of Justice (Mr. McCrae), the Honourable Member for Seven Oaks.

**Mr. Mark Minenko (Seven Oaks):** Yes, Mr. Speaker, I would like to address this Bill.

**Mr. Speaker:** Is there leave that this matter remain standing in the name of the Honourable Minister of Justice (Mr. McCrae)? (Agreed) The Honourable Member for Seven Oaks.

**Mr. Minenko:** Mr. Speaker, again I take this opportunity to consider some legislation that we have before ourselves in this Chamber and it is being brought on again as it was last Session, and if I remember correctly, I and certainly Members of the Chamber suggested to the Honourable Member who proposed this motion that he perhaps review our comments and give them due consideration and perhaps take that back, take the Bill back, review it, and consider some amendments, but it would appear that the Honourable Member, for whatever particular reason he may have had in mind, did not necessarily give any of our comments any due consideration.

**An Honourable Member:** Unfortunate.

**Mr. Minenko:** Unfortunate indeed, as some of my colleagues say, but we have before us a Bill that will indeed affect and could affect the way business is done in Manitoba. Mr. Speaker, it certainly touches on, and I think some consideration needs to be put on the record with respect to the hundreds, if not thousands, of new endeavours that are started up in Manitoba, by Manitobans, and for Manitobans, every year. The

contribution of small business to this province, and indeed to this country, is second to none. I believe that we have to recognize this contribution.

I can only reflect upon my neighbour, as undoubtedly many other Members in this Chamber have had Members who started on their own endeavour, who started their own business, and looking to the rules and regulations with respect to that business, and starting off with a great deal of enthusiasm, launching into a new business, finding customers, suppliers and on.

I would certainly like to bring to the attention of all Honourable Members a particular neighbour who had a construction business last year that I spoke about in this Chamber, a very good example of a young entrepreneur who finds himself with certain expertise in the area and starts developing a company last year. Redoing my stairs was his first commercial project and he has gone out last year, worked part of the summer, and this year I have the honour to inform the House that indeed this gentleman's business has taken off and he did devote many hours to solicit business and develop his business, and did very well, Mr. Speaker. So I would just wish to inform Honourable Members that indeed people like that neighbour should be congratulated for taking up that spirit, taking up the challenge, and moving onward and forward and providing not only employment for himself, but employment for other people as well, as he did all summer long.

\* (1710)

**An Honourable Member:** Hear, hear, he sets an example for us all.

**Mr. Minenko:** Absolutely, as the Member for Transcona (Mr. Kozak) says, he sets an excellent example for us in this Chamber and indeed all Manitobans.

Yet I sometimes wonder and consider the motivation of people to start up their own businesses, to start up their own endeavours. Many Members of this Chamber are indeed in that situation. Whether one is an accountant, whether one is involved in the auctioneering, whether one is a lawyer, they are all business people, whether one is involved in the cartage and haulage business in this province. We are all individual entrepreneurs and again you sort of need to consider what certainly motivates people to begin their own businesses. - (interjection) Well, as the Honourable Minister of Northern and Native Affairs says, cattle ranching. Well, again, farming is a very important small business and too often it is not regarded in that light.

So what are some of these motivating factors, Mr. Speaker? Independence, being your own boss, potential for increased earnings, perhaps, doing something that they really wanted to do. Oftentimes we hear comments from constituents or friends that, boy, am I glad I started up my own business, my own company, because now I am able to do what I really wanted to do all my life and not what I was forced to do or at whatever age they started.

Mr Speaker, these small business people are a very important element to the Manitoba economy and in the economic well-being of our province. For example, some of the information provided to me by the Canadian Federation of Business includes that of the firms employing less than 20 persons. In the Province of Manitoba, between 1978 and 1986, employment grew by 50 percent, whereas if you consider all firms in that same period of time, employment grew by only 10 percent. So this again illustrates the strength of our small business people.

If you look further to the percentage share of job creation by firm size in Manitoba, between 1978 and 1986, for example, with fewer than five employees, we see a 75.1 increase or share of job creation. That, Mr. Speaker, indeed bodes well for us in this province that there are so many people, young and old, who are prepared to take that chance, prepared to take the opportunity and not only do what they have perhaps always wanted to do in their employment but also create jobs for all Manitobans. I believe that Governments in the past have failed to recognize this particular aspect.

Too often does Government like to provide assistance to larger companies so they can have good photo opportunities and say, like this Government did with Boeing, well, they are opening up another 300 or so jobs and it is a good photo opportunity for the Premier or the responsible Minister to be there. But I think it is important, Mr. Speaker, that we remember that who is doing more job creation in this province. It is the small business people of this province and that should not be neglected.

There is indeed some concern on this side of the House, maybe not to my friends to the left here, but certainly in our caucus with respect to some of the issues concerning small business that this Government has not necessarily been addressing as perhaps many small business people felt they would and should after so many years of neglect by our friends to the left. Although they are to the right of the Government, I am sure that the Government can understand that we can switch arms in this situation and perhaps put them better on the appropriate side spectrum.

Mr. Speaker, the vast majority of these small business people who start up businesses and carry on with them and who carry through to grow to larger businesses, and sometimes this is the statistic that I would certainly be looking forward to the Minister of Industry, Trade and Tourism (Mr. Ernst) supplying to us during the Estimate process, is how many of these small businesses of less than five, less than 20 employees, that have grown to 50 employees, to 100 employees, to greater than 100 employees, in the Province of Manitoba. I have seen some statistics from other provinces that showed too few companies growing to those different sizes. I think this is another area that perhaps Government should be reviewing as to what situations allow for certain companies to grow that size.

I realize some of the suggestions as to why, some of the reasons for it, such as product, innovation and things like this, but again I would certainly like to explore this a little bit further. But what is of concern to all Members of this Chamber, if I can be so bold and

liberal to suggest that, is that some of these companies that start up or move into Manitoba who seem to have as their sole purpose in life is to defraud our constituents, and that, Mr. Speaker, is of great concern to undoubtedly all of us in this Chamber.

We do not have to look too far back, Mr. Speaker, to consider some of these examples. We have seen in the press reports from the courts of various people being prosecuted for offences committed against our constituents, against Manitobans, for offences such as providing overinflated quotes or providing statements of account that do not reflect the actual work that was provided.

Indeed one of my neighbours pointed this out to me and said, Mark, I am not sure what I am going to be doing here, but I am going off to court in a few weeks time to testify against a particular group of people, a company that came to my sister's place and provided some services that were sub-par and charged her a little too much for what they actually did. Indeed some weeks later we noticed in the paper that the courts have dealt with these people.

This is a concern that we need to address very quickly and closely. How do we deal with these sorts of circumstances? How do we deal with companies who seem, and I would stress seem, to have as their sole purpose to go out and prey on certain groups in our society?

Mr. Speaker, I think this matter has to be very seriously considered by the Government, and I am indeed a little concerned when I have not really seen much initiative taken by this Government with respect to these sorts of matters.

I am indeed fortunate to be able to live in a neighbourhood and represent a constituency that has hard-working people who have looked after their homes, who have raised their children and now expect to live out their lives in peace and quiet in their neighbourhood that has been familiar to them. All of a sudden someone comes knocking on their door, and what do they have before them? An individual who promises many things, who delivers on very few, and presents this statement of account that is quite incredible to say the least.

I think this is a matter that has to be of concern and undoubtedly is of concern to Members opposite. I would certainly be interested to hear from the Attorney General in his Estimates, if indeed we have an opportunity to go into those Estimates, as to how his department is reviewing this whole issue.

Mr. Speaker, with respect to some of the specific points of this Bill before us, I would like to perhaps in the few short moments I have remaining, draw the attention of Honourable Members to a clause in this Bill, Section 2.(1)(f) for all Honourable Members who are intently listening to my comments today on this Bill and who have undoubtedly a copy of this Bill before them, or for those who perhaps do not want to fumble about in their desks, I would read this particular section.

\* (1720)

It deals with, and I quote, a representation by a supplier that goods have a particular history or usage; that is, false or misleading, it has the effect of deceiving or misleading a consumer is an unfair business practice.

Well, Mr. Speaker, we have seen recently and in the past some of the controversy surrounding the whole issue of the vehicles that are written off by the Manitoba Public Insurance Corporation and how they seemingly keep cropping up through the woodwork as new cars. We have undoubtedly all heard of examples of cars being welded together, or from two or three different cars, this body part, that body part, the front end was bad on this one, it was good on that one, and it was glued together.

I am just wondering, Mr. Speaker, and I would ask the Attorney General (Mr. McCrae) to perhaps draw his attention to this particular clause and to provide us with some direction, some opinion, as to how and in what manner this particular section may impact on the Manitoba Public Insurance Corporation. Indeed this is an issue that certainly needs some addressing, and not only does it affect—and I have read about the position of the auto dealers associations on this, but I think more importantly the issue in this situation is the safety of our constituents. Keeping that first and foremost, this issue then has to be addressed. Again I would ask the Government and the Minister responsible to review their agenda and to perhaps consider, not perhaps, to consider bringing this matter up on the agenda of matters they can address. I would submit that this type of issue can be easily addressed by the Government.

**Mr. Speaker:** The Honourable Member's time has expired. As previously agreed, this matter remains standing in the name of the Honourable Minister of Justice (Mr. McCrae).

#### **BILL NO. 22—THE CONSUMER PROTECTION AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 22, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Minister of Housing (Mr. Ducharme). Stand. Is there leave that this matter remain standing? (Agreed)

#### **BILL NO. 23—THE CONSUMER PROTECTION AMENDMENT ACT (2)**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 23, The Consumer Protection Amendment Act (2); Loi no 2 modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Minister of Justice (Mr. McCrae). Stand. Is there leave that this matter remain standing? (Agreed)

### **BILL NO. 24—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 24, The Business Names Registration Amendment Act; Loi modifiant la Loi sur l'enregistrement des noms commerciaux, standing in the name of the Honourable Minister of Northern and Native Affairs (Mr. Downey). Stand. Is there leave that this matter remain standing? (Agreed)

### **BILL NO. 26—THE REAL PROPERTY AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 26, The Real Property Amendment Act, Loi modifiant la Loi sur les biens réels, standing in the name of the Honourable Minister of Natural Resources (Mr. Enns). Stand. Is there leave that this matter remain standing? (Agreed)

### **BILL NO. 37—THE MUNICIPAL ASSESSMENT AMENDMENT ACT (2)**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Springfield (Mr. Roch), Bill No. 37, The Municipal Assessment Amendment Act(2); Loi no 2 modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Minister of Northern and Native Affairs (Mr. Downey). Stand. Is there leave that this matter remain standing? (Agreed)

### **BILL NO. 41—THE HIGHWAY TRAFFIC AMENDMENT ACT (4)**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Assiniboia (Mr. Mandrake), Bill No. 41, The Highway Traffic Amendment Act (4); Loi no 4 modifiant le Code de la route. Stand. Is there leave that this matter remain standing? (Agreed)

### **PROPOSED RESOLUTIONS**

#### **RES. NO. 15—ONE-TIER SOCIAL ASSISTANCE SYSTEM**

**Mr. Speaker:** On the proposed resolution of the Honourable Member for Brandon East (Mr. Leonard Evans), Resolution No. 15, One-tier Social Assistance System, the Honourable Member for Brandon East.

**Mr. Leonard Evans (Brandon East):** I move, seconded by the Honourable Member for The Pas (Mr. Harapiak), that

WHEREAS seven out of 10 provinces have established a one-tier social assistance system; and

WHEREAS the previous NDP Government was committed to the establishment of a one-tier social assistance system in Manitoba; and

WHEREAS the necessary planning and organizational preparations have been largely completed; and

WHEREAS Manitoba's present two-tier system allows for inadequate and inequitable levels of social assistance for unemployed, employable people; and

WHEREAS the present system forces this category of eligible social assistance recipients to migrate to Winnipeg and some regional centres; and

WHEREAS many social service agencies and churches, along with concerned individual citizens, have urged the establishment of a one-tier system to remove a serious social injustice that exists presently; and

WHEREAS a one-tier system can lead to an integrated provincial program of training and employment for social assistance recipients; and

WHEREAS the majority of municipal Governments do not have the required staff to properly deal with social assistance applications or to initiate employment and training opportunities; and

WHEREAS social services, including social assistance payments, should not be a burden on municipal property taxpayers.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Government to consider implementing a one-tier system of social assistance outside of the City of Winnipeg.

#### **MOTION presented.**

**Mr. Leonard Evans:** Mr. Speaker, this is a matter that has concerned us in this Legislature for many a year. It concerned me as a former Minister of this department dealing with social assistance in the province, and it has been a matter that has been brought up from time to time. As a matter of fact, this resolution was introduced last year. The fact is this is the one area, in my opinion, of greatest social injustice.

We are talking about the poor people in rural Manitoba, and we have all said in this House we want to do more for rural Manitoba. Rural Manitoba is neglected and the fact is there are people who are in the unemployed employable category who are not served well by a national social assistance system which involves the provinces and the municipalities. The fact is that there are certain national standards that are laid down. There are certain benefits that are occurring to people across this land of ours, but the people of rural Manitoba are not getting those benefits. They are in the City of Winnipeg. They are under the provincial social assistance system, but unfortunately in small town Manitoba and rural municipalities of Manitoba, these people are being denied the same benefits that are available in the City of Winnipeg or indeed most of the provinces of Canada.

We have what is called a two-tier system, Mr. Speaker—by way of explanation for perhaps some of the newer Members—mainly that we have the provincial Government and the municipal Governments each involved in dealing with social assistance or welfare. The provincial Government is concerned with the long-term cases, essentially with disabled people, essentially with families, single parents, families in large measure—certainly a lot of handicapped people as well, but generally they are the long-term recipients.

\* (1730)

In the category of unemployed employables, people who are normally on short-term unemployment who cannot find work, who no longer have unemployment insurance, must seek welfare assistance, they are at the present time being dealt with by the municipal level of Government. The proposal I have before us is a rather modest one inasmuch as the vast bulk of the unemployed employables are residing in the City of Winnipeg, by far the biggest percentage. It is only a small percentage virtually that are located outside of Winnipeg who are in that category.

(Mr. Harold Gilleshammer, Acting Speaker, in the Chair)

Mr. Acting Speaker, nevertheless, these people are in my judgment not being treated as fairly as they should be. The rates are totally inadequate. The research that was conducted for previously on this subject indicated that almost half of all municipalities in Manitoba pay rates less than 60 percent of the provincial rate. If you can understand that for a minute, half of the municipalities pay less than 60 percent of the provincial rate. In their examples of what kind of rates that are being made available in some of the cities or towns outside of Winnipeg, I have figures here for January of 1987. I do not think the relationship would have changed much in the last couple of years, whereas for a single adult at that time under provincial social allowance would obtain \$201 per month. This is after shelter. This excludes shelter. The City of Portage la Prairie only paid \$149; the Village of Bowsman, \$114; the R.M. of Minitonas only \$92.00. So the City of Winnipeg was the best of all of them, paid \$179, although even that was a bit lower than the provincial rate.

So what that means, if you are an unemployed employable person living in Minitonas, you will only get \$92; whereas, if you move to the City of Winnipeg, you would get \$179.00. Yet they are both under the same system. They are both paid under the Canada Assistance Program. They are paid with the support from the province and yet there is this discrimination.

So why should the person living in Minitonas - (interjection)- Mr. Acting Speaker, this is an important subject and I wish the Member for Arthur (Mr. Downey), if he is really exercised by it, would speak after me and put his thoughts on the record. I would like to get across on behalf of the people of rural Manitoba who are unemployed that they are not being treated fairly. They are only getting \$92; whereas, if they moved into Winnipeg, they would get \$179.00.- (interjection)- It is two years -(interjection)- 1987, I said that. Okay, 1987. Well, see, the Member for Seven Oaks (Mr. Minenko) asks, well, what about 1987, who was in Government?

Well, the fact is, Mr. Acting Speaker, we brought forward a program, we announced it. It was formally announced on February 26, 1988, that we were going to absorb the municipal level of welfare into the provincial system. In other words, we were going to do what this resolution urges us to do, or urges the Government to consider doing, and that is to have a one-tier system where the Province of Manitoba would

join seven other provinces in Canada and have a provincial system, as they do in Saskatchewan, Alberta, B.C. and so on.

There are only two other provinces that do not have a universal one-tier system and that is Ontario and Nova Scotia, but both of those provinces involve themselves in the setting of municipal rates. They are involved to some degree. They want to know what the municipal rates are, they approve the rates or they disapprove the rates. In this province we do not do anything; it is a strictly laissez-faire approach. It is no good, it is inadequate and I said it when I was Minister and I am saying it again. But on February 26, 1988, we announced the program and as of April 1, 1989, under this program, I announced all the R.M.s would have been included; as of October 1, 1989, this year, all the towns and villages would have been included; and as of January 1, 1990, all the regional cities, all the cities of Manitoba, except Winnipeg, would be included. So as of January 1 of next year the province would have implemented a one-tier system.

It cost a bit of money, but the fact is I think the people of rural Manitoba who are unemployed deserve that help. Maybe the Member for Arthur (Mr. Downey) does not, because I know he has some in his own riding, in that category. Well, Mr. Acting Speaker, there are a number of arguments that you could put forward why we should bring in the one-tier system. I gave the example of inadequate rates, there is another problem of inadequate administration. Many of the smaller towns and R.M.s are not equipped to handle welfare, they do not have the staff that, say, the City of Winnipeg does, or the Province of Manitoba does. In fact, what the recipient has to do is go before the whole council.-(interjection)- Not all of them, not all of them, but many of them do, many of them do, and it tends to be a demeaning experience. It is supposed to be a confidential matter, yet in the smaller municipalities the whole village, the whole town gets to know who is asking for welfare and it is a demeaning experience.

The other reason is that the municipalities are not equipped to set up training programs and employment programs. Some municipalities do provide local works, public works for the people unemployed. That is fine if they can do that, but a lot do not, a lot cannot. Whereas the province, hopefully, has still training and employment programs that they can put in place and they can dovetail with those people who they identified as being unemployed. I think that is a progressive thing that should be done and can be done if you have this integrated one-tier system.

The other reason I argue for this system is that I do not believe that social services should be a burden on municipal ratepayers. I do not believe the municipal ratepayers should be burdened with health costs, they should not be burdened with child and family service costs and they are not. They are not burdened, municipalities do not pay for health costs, they do not pay for child and family services costs, they do not pay for other general social services costs, except welfare. I do not think that is a proper service that should be paid for by the municipal taxpayers. I think, therefore, they should be removed of that burden, as

they are in Saskatchewan, or Alberta, or B.C. Seven of the 10 provinces, the municipal taxpayers do not pay for that, so I would remove that as a burden on the municipal taxpayers.

The other fact of the matter is, Mr. Acting Speaker, the system we have now causes migration from rural Manitoba to the cities. Why should we encourage people to leave rural Manitoba to come into the cities to either look for a job, of course, but also to get a better break on welfare?

It is the same system, it is the same federal Government that is paying for it, the same provincial Government is paying for it, yet they can come into Winnipeg and get assistance, whereas in rural Manitoba they can get some assistance, but it is only a fraction of what is available in the City of Winnipeg. So I do not think that is a proper thing to do as well.

It is an important matter, it is something that has to be addressed by the Government. As I have indicated, we are in the minority, we have the worst system in the country. We have the worst system in the country for the people in rural Manitoba. The people of rural Manitoba are in the worst situation of the whole country in terms of welfare.

**An Honourable Member:** How many years were you the Minister? You were in Government for the 15 out of the last 20 years.

**Mr. Leonard Evans:** Well, Mr. Acting Speaker, I indicated we had a comprehensive program. This Government has scrapped the program, and his Leader during the last election recognized that there was a problem. The Leader of the Conservative Party recognized there was a problem.

How much time do I have, Mr. Acting Speaker? Five minutes, okay. Unlimited, great, I can speak for a long time on this if I would be permitted.

During the last election the now Premier, the Leader of the Conservative Party (Mr. Filmon), said, and I recall when he was in Beausejour he said he did not like our system whereby the province would absorb municipal welfare. But he said, we are concerned about this, we will address this matter, we will co-operate with the municipalities. This is what the Minister of Family Services (Charlotte Oleson) has since said, we are going to sit down with the municipal leaders and talk to them and work out a system. Well, okay, you can do that.

(Mr. Speaker in the Chair)

You can bring about a one-tier system if you like, a uniform rate system, but you are still going to involve the municipalities, you are still going to involve taxes from the municipal level. I would say also, Mr. Speaker, that system is fraught with difficulties, fraught with all kinds of administrative difficulties whereby you are going to find problems in getting some municipalities to agree with the regulations, I presume, which was part of the Leader's (Mr. Filmon) plan, part of the Premier's plan, some sort of set of regulations that they would have to abide by. Then they are going to have to police the municipalities to make sure that they abide by the regulations.

\* (1740)

So I say, Mr. Speaker, it is far better to have the province do what they do in seven out of the 10 provinces in this country, and that is to simply absorb this segment of welfare.-(interjection)- Well, the cost, this is probably subject to a little inflation, but the net cost, these figures have to be looked at in context. But I would say you are looking at, after recovery from the federal Government, probably somewhere in the order of between \$2 million and \$3 million at the first stage, \$2 million or \$3 million. Mr. Speaker, that is \$2 million or \$3 million of relief to the taxpayers in the MLA for Arthur's (Mr. Downey) riding. That is part of the relief to those municipal taxpayers. It is put more on the shoulders of the province and the federal Government, and I say that is where it belongs. We do not expect municipal taxpayers at Arthur to pay for health care. We do not expect municipal taxpayers at Arthur to pay for child and family services. They do not pay for it, but yet we expect them to pay for welfare, social assistance services. It is not fair, Mr. Speaker.

What I am doing is proposing something that is of benefit to the rural municipalities, the towns and villages. We had a program to bring in. It has gone by the way and I say it is time that this Government takes action. The Minister has had a lot of time to talk to the municipal leaders. I will be interested if she is going to speak in this debate and see what she has done because we have been waiting now patiently for a year and a half. There has been no action, but I say in conclusion, because I know my time is up, there is a need for fair treatment, there is a need to link the unemployed people to some training programs, to employment programs.

It is a matter, Mr. Speaker, of simple social justice. Let us together recognize the inequities and let us together resolve this and eliminate this area of serious social injustice. Thank you very much.

**Hon. Charlotte Oleson (Minister of Family Services):** Mr. Speaker, I find it very interesting to listen to the Member for Brandon East (Mr. Leonard Evans) in discussion of this resolution. You know, I am sure he brought it forth with all sincerity, but then he stands in his place and remarks that we have the worst system in Canada. He was the Minister responsible for that system for years, at least six and a half to seven years, and he says it is the greatest social injustice. But where was he, what was he doing about this social injustice for most of the seven years of which he was the Minister?

Just as indicated, in late February of 1988 he brought forward a proposal for a one-tier system which, to term it politely, met with resistance from the municipal people involved who were thoroughly disgusted with this. In fact, I am told that some of his officials were so badly booed at the Union of Municipalities meeting when they brought forward these suggestions that it was embarrassing.

So I am wondering why the Minister is standing here telling us about this great social injustice, how it is the worst system in Canada. When he brought forward an idea, he had not consulted with the people people who

are involved with the delivery at this time. He had not suggested to them how he would like to do things previous to having done them. It was just going to be policed upon them, and the former Minister says, yes, they passed a resolution in favour of it. Yes, they did one year, then they thought better of it the next year and passed a resolution against the one-tier system. I reminded the Minister about that a couple of times. He wants to remember one resolution but not the other.

Anyway, the municipalities, to remind the Member, are required to have a by-law stating what municipal assistance they will give, and I agree with him there are a great deal of problems with that, they all do not measure up perhaps to the provincial rates. These of course you will recall are short-term rates so they perhaps do not have—they could be, I say could, I am not justifying their position. I am saying that some of them could be justified on the point that they are short-term and they are not for long-term assistance.

There is, I will agree with the Member, a great deal of discrepancy in what the municipalities pay in the line of social assistance to their recipients, but there is the safety valve there which the Member should be aware of, and was of course when he was the Minister—had the same committee as exists today, the Social Services Advisory Committee which hears complaints and has very often said to the municipalities, look, what you are doing is not fair, and indicated to them that people should have better assistance. So there is that safety net.

Having said that, I should go on to say that earlier this year I appointed a committee of people from the municipal bodies in the province from the UMM and from MAUM and from the department—it was then the Department of Municipal Affairs had involvement with staff and my staff. The City of Winnipeg wished to be part of this discussion. They also took part in some consultations and some number crunching. They are coming forward. They have not given it to me yet but they are coming forward with a report. They have to take it to their various memberships and have it ratified to be sure it reflects how the municipal people would like to deal with this issue. I am looking forward to receiving their report.

I always feel that things are achieved better if one goes out to the people who are involved in the system and discuss with them how this delivery should take place. It makes for better relations with the people that deliver service on behalf of the province because our Premier (Mr. Filmon), as the Member indicated when we were in Opposition, had indicated he thought our Party felt that regulation was the way to go. This has been part of the discussions that have taken place, and when the report is given to me I will be able to see just what form they agreed these regulations should take. From that point, then I will be able to recommend to our Government just what we will be doing in that regard.

Now, while these other things were taking place of course, we have not forgotten the people who are receiving social assistance. They are key to this whole issue as well because they are the people who, for one reason or another, and there are many reasons, require the help of society to help them to maintain existence.

The Women's Initiative, when they went out and discussed various aspects of community life in the various centres in Manitoba, had quite a few discussions with single parents who had expressed great difficulty and some of the things that the Member referred to when he gave his speech just now on this. That it was sometimes an embarrassing situation to go to a local council and ask for help as a young mother who was suddenly deserted, or for whatever reasons they became a single parent, it was difficult.

So when the Women's Initiative brought back in this recommendation, we acted upon it almost immediately to announce that single parents in need of social assistance would immediately be put onto the provincial welfare rolls because they were obviously, in all likelihood, going to be on the rolls for awhile. It would save them having to be on municipal and then move to provincial.

Just today, I gave first reading to the Bill and of course that will put that into place. That was announced for the 1st of January and in order to do that there needs a change in legislation. I can imagine the rules would probably prohibit me from discussing the ins and outs of that Bill at this time, but anyway that will be done.

Another initiative that we have taken which has been applauded by many, many people is that we are allowing young children who have paper routes or whatever way they earn money to be able to keep that and have it not counted as family income. Now I found it hard to believe that this had gone on for all these years and had not been done. One of the things we want to do in our society is encourage people to be independent, to be resourceful in looking after themselves. We want to encourage that and make sure that they have the ability.

\* (1750)

What better way to start young people than having a paper route or doing errands for someone, earning a bit of money while they are in school, say, to help themselves along. So we have changed the regulations to permit them to be able to keep this and not have it counted as family income. I think that was a very progressive move and people have been very pleased to hear that.

There are many things, Mr. Speaker, that can be still accomplished for social assistance even though we do work with the two-tier system. The Member seems to feel that because we have the two-tier system and because people are helped by their individual municipalities that there was to be no hope for them getting onto training programs and so forth. Well, I disagree with him. I think we could still have people involved in various programs across the province even though they are on municipal assistance, and so I tend to disagree with him with that.

I think that with co-operation, we can be sure that they have the opportunity. Of course the things that our Government is planning for rural Manitoba certainly will encourage people to stay in rural Manitoba and hopefully there will be jobs there. It is a long, slow

process; I will be the first to admit. The Member knows that in some areas of our province, unemployment is very, very high. It is difficult to ask people and to encourage them to get a job because there are no jobs. With the initiatives that are being taken by our Government, there will be in the near future more job opportunities for people in the rural areas.

I think, one of the things that should improve in the North is the forestry project and the reforestation that will take place after the harvest of trees for the Repap company. All these things will help to create employment because after all, this whole purpose of our having a social welfare program is not that we want everybody on it. We want to help people who are in need in the best way we can, but we want to encourage them to be self-sufficient and to find jobs.

The Member of course, as having been Minister of this department, knows very well the many of the programs that are involved with this department in helping people on social assistance to be self-sufficient. One is the single parents program to train single parents and to get them working. The Member, when he was the Minister, started that program and we have continued it and increased it. We heard loud and clear when the Women's Initiative went out that this was a good program, that people liked it, they felt that it was helpful, and that we certainly should not even consider scrapping it, not that I was considering scrapping it. That was one initiative, I will certainly agree with the Member, that he took and we are building on because it is a good program.

Sometimes when Governments change they are tempted to change the name of programs and do all this. I have rather resisted this temptation with a couple of programs because I found that people identified with them. They know the program and they like it, so why change the name? -(interjection)- Yes, we just changed the Minister and added some more money to the program.- (interjection)- No, they are not replacing me. I said we did change the Minister from him to me. I just want to make that clear.

There are other programs of course. There is one that I announced last year, the Gateway Program, that is a similar type of program. It encourages, it contracts with workplaces to take people part-time under a wage assistance. First, we do some classroom training and then we have them go into the workplace. That has been a pilot program but it is showing signs of being a really good program. People tell me that is the best way to go when you are doing a program of that sort with people who need assistance, to give them classroom training but also give them on-the-job training. It gives them something to write on a resume that they have worked in this particular area, and of course we encourage the employers to keep them on afterwards. That is part of the agreement. It would be nice to have a lot more people in these programs but of course they are expensive.

**Mr. Speaker:** Order, please. The Honourable Minister's time has expired. The Honourable Member for St. Vital.

**Mr. Bob Rose (St. Vital):** You heard the words "social justice" bandied around here and then later we heard

that of course this has been corrected. We saw that youngsters, be it 40-below weather, delivered papers or went out to do errands or whatever, did babysitting and got home late at night. That money was just like confiscated from them by a Government that believed in social justice.

Mr. Speaker, we on this side get literally dozens and dozens of calls and complaints from the department of the Ministers there. It is very, very difficult to deal with these problems because the people have a real plight and we have an uncaring Government that looks after them. Even through those very dreadful circumstances, when I get home at night at least I am pleased that I am not sitting a little to the left and would have to answer the questions from those people from their perspective who did nothing for the last 21 years to push for them.

I hope I am right, Mr. Speaker, today we saw the Minister rise and I was so pleased to see her rise. I think it was the first time.- (interjection)-

The NDP already had their chance to speak and they also had their chance to govern, which they are not going to get again for many, many years.

I was so pleased to see her rise because I think this is the first time she has risen to introduce a Bill in this section of her department. I apologize if I am wrong in that, but it certainly has been some time because there are many, many changes that are needed to give social justice in her department. We do not intend to take the position of the NDP, nor could we take their position that their idea of social justice is to not amend legislation for over 20 years, important. Now we have seen a Government in power for 18 months and they fail to do the same thing. We will look forward with some anticipation to this Bill No. 67 to see if it even addresses minor needs, whether it is the start of something that really revamps the system after the travesty we have seen of the NDP Government for such a long period of time.

As far as the people who are poor in the City of Winnipeg and throughout this province, Mr. Speaker, I guess their idea of social justice is sending those monies that could be better spent on social programs over to Saudi Arabia or building some bridge that starts nowhere and goes nowhere and some day may be surrounded in a need for something. I think that we might call that the episode of the Bridge over the Riviere Rouge or something but there sure has been no title to it yet.

Our Party certainly is known to favour a one-tier system but somewhat different than the ill-thought-out resolution of the NDP in that they would like to see duplication of services and dismantling of anything that is working right now, particularly in regard to the City of Winnipeg which is recognized as having one of the best systems indeed, Mr. Speaker, in all of Canada. I think that the service, where set up in municipalities, can be delivered to there. I use them as an example.

I think right now we see gross inequities from one end of the province to the other here. We see some of the municipalities with fair payments and we see

other ones with very abysmal ones. That is not to be blamed on the municipality. It is blamed on the action of the provincial Government in not instituting a one-tier system because, after all, the funds by municipalities are already very meagre, as all our statistics show. I think that there is a feeling certainly in the city that these types of social programs, the way that they have developed, are more apt to be the responsibility of higher levels of Government.

I think one of the things that we should be doing is we should be trying to build rural Manitoba and keep these towns alive, and I am sure that by encouraging more social security funds to go into rural Manitoba we would be doing that. We would have an injection of funds which is principally federal money and it would come back in spinoff effects, because the type of people who collect social benefits are not usually the type that spend their money in Hawaii or Florida or around the world. They spend it on goods and necessities that are to be purchased within that town, and so therefore it is not all a cost to the taxpayer.

The resolution here speaks of one aspect of the program but overall we know that the Tories have a lot of work to do to catch up on the inequities of this Government that go back 20 years in regard to the amount of allowable money that even adults can earn, never mind children. The same thing that they did with children they are presently doing with adults, in that a fellow could go out and earn hundreds of dollars and what do they do? They allow them to keep a measly \$50.00. What an incentive it is for people to go out and work and learn a trade and stay and produce in this province when the money is gouged back, and this by the Tories. There is still lots of work to do, lots of work to do on training. Special needs is another example—

**Mr. Speaker:** When this matter is again before the House, the Honourable Member will have eight minutes remaining.

## HOUSE BUSINESS

**Hon. James Downey (Acting Government House Leader):** Mr. Speaker, I wonder if I could have the indulgence of the House to make some committee announcements for the upcoming week on behalf of the House Leader (Mr. McCrae).

**Mr. Speaker:** You better do it quick, you have 10 seconds.

**Mr. Downey:** Thank you, Mr. Speaker. I would like to announce the following committee meetings: first, the Economic Development Committee will meet on October 24, 1989 at 10 o'clock, Room 255, to finish their consideration of the Annual Report of A.E. McKenzie Seeds and to consider the Annual Report of the Communities Economic Development Fund.

Secondly, the Standing Committee on Public Utilities and Natural Resources will meet on October 26 at 10 a.m. to consider the Annual Report of the Manitoba Hazardous Waste Corporation.

Third, the Standing Committee on the Public Utilities and Natural Resources will meet on October 31 at 10 a.m., in Room 255, to consider the Annual Report of the Manitoba Public Insurance Corporation. Thank you, Mr. Speaker.

**Mr. Speaker:** I would like to thank the Honourable Acting Government House Leader for the information.

The hour being 6 p.m., this House is now adjourned and stands adjourned until 10 a.m. tomorrow (Friday).